[H.A.S.C. No. 108–36]

108

Y 4.AR 5/2 A:
2003-2004/36
United States Intelligence Refo

UNITED STATES INTELLIGENCE REFORM

HEARINGS

BEFORE THE

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES
ONE HUNDRED EIGHTH CONGRESS
SECOND SESSION

HEARINGS HELD
AUGUST 10, 10 AND 11, 11, 2004

SUPERINTENDENT OF DOCUMENTS
DEPOSITORY
APR 21 2006
BOSTON PUBLIC LIBRARY
GOVERNMENT DOCUMENTS DEPT.

[H.A.S.C. No. 108–36]

UNITED STATES INTELLIGENCE REFORM

HEARINGS

BEFORE THE

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES
ONE HUNDRED EIGHTH CONGRESS
SECOND SESSION

HEARINGS HELD
AUGUST 10, 10 AND 11, 11, 2004

U.S. GOVERNMENT PRINTING OFFICE

20–131 WASHINGTON : 2006

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512–1800; DC area (202) 512–1800
Fax: (202) 512–2250 Mail: Stop SSOP, Washington, DC 20402–0001

HOUSE COMMITTEE ON ARMED SERVICES

One Hundred Eighth Congress

DUNCAN HUNTER, California, *Chairman*

CURT WELDON, Pennsylvania
JOEL HEFLEY, Colorado
JIM SAXTON, New Jersey
JOHN M. McHUGH, New York
TERRY EVERETT, Alabama
ROSCOE G. BARTLETT, Maryland
HOWARD P. "BUCK" McKEON, California
MAC THORNBERRY, Texas
JOHN N. HOSTETTLER, Indiana
WALTER B. JONES, North Carolina
JIM RYUN, Kansas
JIM GIBBONS, Nevada
ROBIN HAYES, North Carolina
HEATHER WILSON, New Mexico
KEN CALVERT, California
ROB SIMMONS, Connecticut
JO ANN DAVIS, Virginia
ED SCHROCK, Virginia
W. TODD AKIN, Missouri
J. RANDY FORBES, Virginia
JEFF MILLER, Florida
JOE WILSON, South Carolina
FRANK A. LoBIONDO, New Jersey
TOM COLE, Oklahoma
JEB BRADLEY, New Hampshire
ROB BISHOP, Utah
MICHAEL TURNER, Ohio
JOHN KLINE, Minnesota
CANDICE S. MILLER, Michigan
PHIL GINGREY, Georgia
MIKE ROGERS, Alabama
TRENT FRANKS, Arizona

IKE SKELTON, Missouri
JOHN SPRATT, South Carolina
SOLOMON P. ORTIZ, Texas
LANE EVANS, Illinois
GENE TAYLOR, Mississippi
NEIL ABERCROMBIE, Hawaii
MARTY MEEHAN, Massachusetts
SILVESTRE REYES, Texas
VIC SNYDER, Arkansas
JIM TURNER, Texas
ADAM SMITH, Washington
LORETTA SANCHEZ, California
MIKE McINTYRE, North Carolina
CIRO D. RODRIGUEZ, Texas
ELLEN O. TAUSCHER, California
ROBERT A. BRADY, Pennsylvania
BARON P. HILL, Indiana
JOHN B. LARSON, Connecticut
SUSAN A. DAVIS, California
JAMES R. LANGEVIN, Rhode Island
STEVE ISRAEL, New York
RICK LARSEN, Washington
JIM COOPER, Tennessee
JIM MARSHALL, Georgia
KENDRICK B. MEEK, Florida
MADELEINE Z. BORDALLO, Guam
RODNEY ALEXANDER, Louisiana
TIM RYAN, Ohio

Robert S. Rangel, *Staff Director*
Eric Sterner, *Professional Staff Member*
Justin Bernier, *Research Assistant*

CONTENTS

CHRONOLOGICAL LIST OF HEARINGS

2004

Page

HEARINGS:

Tuesday, August 10, 2004, The Final Report of the National Commission on Terrorist Attacks Upon the United States 1

Tuesday, August 10, 2004, Denying Terrorist Sanctuaries: Policy and Operational Implications for the U.S. Military 91

Wednesday, August 11, 2004, The Implications of the Recommendations of the 9/11 Commission on the Department of Defense (Part I) 171

Wednesday, August 11, 2004, The Implications of the Recommendations of the 9/11 Commission on the Department of Defense (Part II) 271

APPENDIXES:

Tuesday, August 10, 2004 57

Tuesday, August 10, 2004 143

Wednesday, August 11, 2004 (Part I) 241

Wednesday, August 11, 2004 (Part II) 321

TUESDAY, AUGUST 10, 2004

THE FINAL REPORT OF THE NATIONAL COMMISSION ON TERRORIST ATTACKS UPON THE UNITED STATES

STATEMENTS PRESENTED BY MEMBERS OF CONGRESS

Hunter, Hon. Duncan, a Representative from California, Chairman, Committee on Armed Services 1

Skelton, Hon. Ike, a Representative from Missouri, Ranking Member, Committee on Armed Services 3

WITNESSES

Hamilton, Hon. Lee H., Vice Chairman, National Commission on Terrorist Attacks Upon the United States 9

Kean, Hon. Thomas H., Chairman, National Commission on Terrorist Attacks Upon the United States 5

APPENDIX

PREPARED STATEMENTS:

Hunter, Hon. Duncan 61

Kean, Hon. Thomas H., joint with Hon. Lee H. Hamilton 76

Rogers, Hon. Mike D. 73

Skelton, Hon. Ike 67

Turner, Hon. Michael 74

DOCUMENTS SUBMITTED FOR THE RECORD:

[There were no Documents submitted.]

QUESTIONS AND ANSWERS SUBMITTED FOR THE RECORD:

Mr. Langevin 88

Mr. Meehan 87

Page

QUESTIONS AND ANSWERS SUBMITTED FOR THE RECORD—CONTINUED
Ms. Sanchez 88

TUESDAY, AUGUST 10, 2004

DENYING TERRORIST SANCTUARIES: POLICY AND OPERATIONAL IMPLICATIONS FOR THE U.S. MILITARY

STATEMENTS PRESENTED BY MEMBERS OF CONGRESS

Hunter, Hon. Duncan, a Representative from California, Chairman, Committee on Armed Services 91
Skelton, Hon. Ike, a Representative from Missouri, Ranking Member, Committee on Armed Services 92

WITNESSES

Brown, Gen. Bryan D., USA, Commander, U.S. Special Oprations Command .. 101
Pace, Gen. Peter, USMC, Vice Chairman, Joint Chiefs of Staff 100
Wolfowitz, Hon. Paul D., Deputy Secretary of Defense 93

APPENDIX

PREPARED STATEMENTS:
Hunter, Hon. Duncan 147
Skelton, Hon. Ike 152
Wolfowitz, Hon. Paul 157

DOCUMENTS SUBMITTED FOR THE RECORD:
[There were no Documents submitted.]

QUESTIONS AND ANSWERS SUBMITTED FOR THE RECORD:
[There were no Questions submitted.]

WEDNESDAY, AUGUST 11, 2004

THE IMPLICATIONS OF THE RECOMMENDATIONS OF THE 9/11 COMMISSION ON THE DEPARTMENT OF DEFENSE (PART I)

STATEMENTS PRESENTED BY MEMBERS OF CONGRESS

Hunter, Hon. Duncan, a Representative from California, Chairman, Committee on Armed Services 171
Skelton, Hon. Ike, a Representative from Missouri, Ranking Member, Committee on Armed Services 174

WITNESSES

Cambone, Hon. Stephen A., Under Secretary of Defense for Intelligence 175
Jacoby, Vice Adm. Lowell E., USN, Director, Defense Intelligence Agency 179
Odierno, Maj. Gen. Raymond T., USA, Former Commander, Fourth Infantry Division, U.S. Army 183

APPENDIX

PREPARED STATEMENTS:
Cambone, Hon. Stephen A. 256
Hunter, Hon. Duncan 245
Miller, Hon. Candice S. 254
Skelton, Hon. Ike 251

Page

DOCUMENTS SUBMITTED FOR THE RECORD:
[There were no Documents submitted.]

QUESTIONS AND ANSWERS SUBMITTED FOR THE RECORD:
[There were no Questions or Answers available at the time of printing.]

WEDNESDAY, AUGUST 11, 2004

THE IMPLICATIONS OF THE RECOMMENDATIONS OF THE 9/11 COMMISSION ON THE DEPARTMENT OF DEFENSE (PART II)

STATEMENTS PRESENTED BY MEMBERS OF CONGRESS

Hunter, Hon. Duncan, a Representative from California, Chairman, Committee on Armed Services 271
Skelton, Hon. Ike, a Representative from Missouri, Ranking Member, Committee on Armed Services 272

WITNESSES

Hamre, Dr. John J., President and Chief Executive Officer, The Center for Strategic and International Studies 279
Odom, Lt. Gen. William E., USA (Ret.), Senior Fellow, The Hudson Institute . 276
Wood, Dr. Lowell, Senior Scientist, Lawrence Livermore National Laboratory 272

APPENDIX

PREPARED STATEMENTS:
Hamre, Dr. John J. 354
Hunter, Hon. Duncan 325
Odom, Lt. Gen. William E. 333
Skelton, Hon. Ike 329
Wood, Dr. Lowell 360

DOCUMENTS SUBMITTED FOR THE RECORD:
[There were no Documents submitted.]

QUESTIONS AND ANSWERS SUBMITTED FOR THE RECORD:
[There were no Questions or Answers available at the time of printing.]

THE FINAL REPORT OF THE NATIONAL COMMISSION ON TERRORIST ATTACKS UPON THE UNITED STATES

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, Tuesday, August 10, 2004.

The committee met, pursuant to call, at 12:19 p.m., in room 2118, Rayburn House Office Building, Hon. Duncan Hunter (chairman of the committee) presiding.

OPENING STATEMENT OF HON. DUNCAN HUNTER, A REPRESENTATIVE FROM CALIFORNIA, CHAIRMAN, COMMITTEE ON ARMED SERVICES

The CHAIRMAN. The committee will come to order.

The committee meets today to consider the findings and recommendations of the 9/11 Commission. This will be the first of four hearings the committee has scheduled over the course of the next two days to examine these important issues.

Our distinguished witnesses this morning are the Honorable Thomas H. Kean, Chairman, National Commission on Terrorist Attacks Upon the United States; and the Honorable Lee H. Hamilton, Vice Chairman.

On July 22nd, the 9/11 Commission reported its comprehensive findings to the American public. It is an excellent account of how we were attacked on September 11th and a fine analysis of what the Nation might have done better to deal with terrorism over the preceding decade.

Let me express my gratitude and that of my colleagues to Chairman Kean and Vice Chairman Hamilton for the tremendous effort they and their fellow commissioners put into this project.

In recent weeks, Washington's professional talking heads in the national media have focused on the report's recommended changes to the government structure, in part because that is a simple winners-versus-losers story that is easy to follow.

That is unfortunate because the Commission looked at September 11th much more thoroughly than the public debate has acknowledged. Its recommendations were much more comprehensive than simply rearranging the deck chairs on the ship of state.

Gentlemen, for the sake of better understanding the context of your work, I hope we will get into some of these other recommendations, as well.

For example, the Commission recommended attacking terrorists in their sanctuaries, noting that it is harder for terrorists to plan and carry out their attacks if they are constantly on the run. I agree with that, but how should we deal with states that harbor

terrorists or turn a blind eye to terrorist operations from their soil, but that may not have attacked us on the scale of 9/11?

The Commission has some specific suggestions in the cases of Afghanistan, Pakistan and Saudi Arabia, but I would like to hear how its broad recommendation applies to states like Iran, which supports terrorism and where diplomacy has failed to deter it from its pursuit of nuclear capabilities.

The Commission also recommended creating a long-term strategy to win the war of ideas.

How do we do that? Is it enough to ensure that Iraq becomes an example of a successful Arab democracy, or must we also increase the pressure on states that actively export extremism?

Should Radio Sawa broadcast American pop culture into the Middle East, or is it more appropriate to focus on factual news reporting and political commentary?

Ultimately, the answers to those questions will have more to do with winning the war on terror than deciding whether or not the National Intelligence Director (NID) is a term employee inside or outside the Executive Office of the President.

That does not mean that we can or should downplay the Commission's organizational recommendations. The report proposes to break a lot of rice bowls, which can sometimes be a productive activity in Washington. More importantly, it helps us focus on longstanding problems in the Intelligence Community and possible solutions.

The President's support for the creation of a National Counterterrorism Center (NCTC) and a National Intelligence Director I believe will eventually lead to improved cooperation and coordination among different agencies.

But we also may want to require senior intelligence officials to rotate through other agencies as a precondition for promotion in their home agency. Alternatively, we might rebuild the educational path for intelligence professionals.

Both steps did more to break down stovepipes and promote jointness in the military than simply rewiring organizational charts.

Goldwater-Nichols succeeded by incentivizing cross-service cooperation and promoting the unity of command, not by adding layers of decision-makers or making the chain of command more convoluted.

The point is that there are multiple dimensions to the problem that are worthy of further consideration.

I look forward to working with the president, my colleagues in the House and the Senate as we sort through these ideas and move out on a proactive agenda.

And, gentlemen, again, thank you for being with us. And you have presented us with an excellent product and you have presented the Nation with a remarkable challenge, all in the final quarter of the election season, with some very heavy lifting to do. But I think Members of Congress who have the national interest at heart will be able to move a substantial reorganization, if you will, of the intelligence structure.

I know a number of issues arise as we look at the war fight that is taking place in Afghanistan and Iraq, especially with respect to

operational control of assets, which assets under the new structure that is proposed would be owned by a national intelligence director.

And I think it is very important that this committee very, very comprehensively scrutinize and analyze the affects on the war fight with respect to those intelligence assets. I think that is a very important and critical job for us to do here.

And a number of other areas, I think, especially with respect to the utilization of Special Operations Forces and the new role of Special Operations Forces is, again, an area for this committee to very closely scrutinize and analyze.

So we have got a lot of work ahead of us. We want to thank you for starting this debate and meeting this challenge which faces our country.

So we will turn the floor over to you very shortly, but first let me turn to my partner on the committee, the gentleman from Missouri, Mr. Skelton, for any remarks he may want to make.

[The prepared statement of Mr. Hunter can be found in the Appendix on page 61.]

STATEMENT OF HON. IKE SKELTON, A REPRESENTATIVE FROM MISSOURI, RANKING MEMBER, COMMITTEE ON ARMED SERVICES

Mr. SKELTON. Mr. Chairman, thank you very much, and thank you for the four hearings that we will have today and tomorrow.

Let me join you in welcoming Chairman Kean, Vice Chairman Hamilton, gentlemen of great distinction, and tremendously hard work that you have done. You have done a wonderful service for our Nation, so we thank you publicly for that.

It was a bipartisan product that you have, and we certainly hope that Congress, at the end of the day, will debate and consider your recommendations in a bipartisan spirit.

I think this is a situation where we find ourselves where we must act. We must do something positive. We must take your recommendations, take them seriously and at the end of the day have legislation that makes America all the more safe.

We are playing marbles for keeps. This is not a situation where we can try it and if it does not work try something else. This has to be done correctly.

As Mr. Hamilton noted earlier today, I was in the middle of the Goldwater-Nichols effort that came to fruition in 1986. It started back in 1982, and it took us four-plus years to get it done. We have to do this as well and as clearly and as solidly as we did Goldwater-Nichols.

It is going to be a bit different. It may be more difficult. In Goldwater-Nichols, you had the various services that were not working together jointly. But when we passed the legislation and the service chiefs and the chairman understood the law meant just what it said, the military—the generals, the colonels, the lieutenant colonels on down—saluted and made it happen.

I am not sure that we have exactly the same situation today within the intelligence communities where they will—because of the military nature that they had under Goldwater-Nichols, they were able to make it happen relatively quickly.

And I hope that once we get a product, that the various agencies will take it seriously, understand Congress means what it says, salute and move out. Because, like I say, this is playing for keeps.

Now, the present Congress created this 9/11 Commission to investigate the extraordinary national tragedy. You had an enormous task, and we thank you for doing it.

The protection of American lives is the most sacred obligation of our government. It is one that we here on this Armed Services Committee take very seriously.

Partly for this reason that we must consider the Commission's recommendations so carefully. They are thoughtful, they are comprehensive, and they are certainly worthy of great consideration.

What they make clearest more than anything else is that our system needs change. We must do something and do something positive. We must consider these recommendations carefully but assertively to make sure the important work of this commission is not lost.

At the same time, we must recognize the Commission's mandate, while broad, did not cover all of the national security challenges our country faces in the coming decades. We must ensure the Commission's recommendations, particularly those that involve restructuring much of the Intelligence Community, will make sense for dealing with all of our national security challenges.

The centerpiece of the Commission's recommendations are the proposals to create a National Intelligence Director and a National Counterterrorism Center. These proposals have the potential to significantly affect the Department of Defense (DOD).

We all know about 80 percent of the national intelligence capability resides in the Department of Defense as well as much of the budget for the intelligence program.

Most critically, however, are the men and women on the battlefield who rely on the same intelligence, sometimes the very same assets, as would be required on a national strategic level.

So let me say that we welcome you. We thank you for your recommendations.

One of the issues you make reference to is that we must have the right strategy that uses all the elements of our national power effectively.

For example, I support your recommendation, very strongly actually, that we make a long-term commitment to Afghanistan. That is the real war. That is the genesis of the terrorism that we encountered today. And I think that we have lost sight of what must be done there, and we are failing to act aggressively enough, in my opinion.

The narcotics boom that is fueling the terrorists financing is creating additional instability.

So we must devise a comprehensive strategy that deals with all those issues in Afghanistan as well as elsewhere.

So with that, Mr. Chairman, I appreciate you calling this meeting.

[The prepared statement of Mr. Skelton can be found in the Appendix on page 67.]

The CHAIRMAN. Well, Mr. Skelton, thank you for your comments.

And, Governor Kean, thank you.

And, Lee, thank you for being with us this morning.

The floor is yours, sir.

STATEMENT OF HON. THOMAS H. KEAN, CHAIRMAN, NATIONAL COMMISSION ON TERRORIST ATTACKS UPON THE UNITED STATES

Mr. KEAN. Mr. Chairman, thank you very much for allowing us to appear and thank you also for a very, very thoughtful statement.

What you said this morning involving breaking down stovepipes, about the idea of having senior officials move around, I think, is very thoughtful and can be very helpful, and I thank you very, very much for that.

And, Congressman Skelton, we want to build on Goldwater-Nichols, create unity of effort across the Intelligence Community, across the entire government.

Thank you both very, very much for your help.

We are honored to appear before you today. We want to thank you and the leadership of the House of Representatives for the prompt consideration you are giving to the recommendations of the Commission. We are grateful to you and grateful to the leadership of the House.

The Commission's findings and recommendations were strongly endorsed by all commissioners, five Democrats, five Republicans. We share a unity of purpose, and we hope that Congress and the Administration can display the same unity of purpose and bipartisanship as we collectively seek to make our country safer for all Americans, and certainly more secure.

As Chairman Hunter said, we want to concentrate not simply on these recommendations; a lot of recommendations, as you mentioned, that we have made that have not received as much attention that we consider very, very important. And we would be glad to talk about those, if you would like, today.

Terrorism, though, is our number-one threat to the national security of the United States. Counterterrorism policy must be the number-one priority for the President. And that is any president. And that is for the foreseeable future.

We cannot succeed against terrorism by Islamic extremist groups unless we use all elements of national power. And that is military power, diplomacy, intelligence, covert action, law enforcement, economic policy, foreign aid, public diplomacy and, of course, homeland defense. If we favor one tool while neglecting others, we are going to leave ourselves vulnerable and weaken our entire national effort.

This is not just our view. It is the view of every policy-maker that we have talked to. Secretary Rumsfeld, for instance, testified and told us he just cannot get it done with the military alone. "For every terrorist we kill or capture," he told us, "more rise up to take their place." He told us the cost-benefit ratio is simply against us. Cofer Black told us you cannot get it done with the Central Intelligence Agency (CIA) alone.

What became clear to us, as we talked to over 2,000 witnesses, is that the institutions of the United States government are still geared to Cold War threats, great power threats. Our government's

tool today is not geared to deal with the threat from transnational Islamic terrorists.

We need a unified effort across all agencies of government. And that is why we recommend change.

As part of the 9/11 story, we spent a very considerable time looking at the performance of the Intelligence Community. We identified at least six major problems confronting the Intelligence Community that became apparent as we studied the story of 9/11. And we believe, unfortunately, these problems still continue today.

First, there are major structural barriers to performance of joint intelligence work. National intelligence is still organized around the collection disciplines of the home agencies, not the joint mission.

The importance of integrated, all-source analysis simply cannot be overstated. Without it, it will never be possible to, as we say, connect those dots.

Second, there is a lack of common standards and practices across the foreign/domestic divide for the collection, processing, reporting, analyzing and the sharing of information.

Third, there is divided management of national intelligence capabilities between the Director of Central Intelligence (DCI) and the Defense Department.

Fourth, the Director of Central Intelligence has a weak capacity to set priorities and move funds and other resources.

Fifth, the Director of Central Intelligence now has at least three jobs: running the CIA, running the Intelligence Community and serving as the President's chief intelligence adviser. Now, no one person can perform those three functions.

Finally, the Intelligence Community is too complex and too secret. Its 15 agencies are governed, in our view, by arcane rules. All of its money and most of its work are shielded from any kind of public scrutiny.

We come to the recommendation of a National Intelligence Director not because we want to create some new czar or some new layer of bureaucracy to sit atop, certainly, the existing bureaucracy. We come to this recommendation because we see it as the only way to effect what we believe is necessary: a complete transformation of the way the Intelligence Community does business.

We believe that the Intelligence Community needs joint analysis, joint collection and joint management of intelligence operation. The model here, as you have said, is the Goldwater-Nichols reform.

The collection agency should have the same mission as the armed services do. They should organize, train and equip their personnel. Those intelligence professionals, in turn, should be assigned to unified joint commands or, in the language of the Intelligence Community, national intelligence centers.

A national intelligence center on weapons of mass destruction (WMD) and proliferation, for example, would bring together the imagery signals and human intelligence specialists, both collectors and analysts, who would work together joint on behalf of their single mission.

All the resources of the community would be brought to bear on the key intelligence issues as identified by the National Intelligence Director.

We believe you cannot get the necessary transformation of the Intelligence Community—in other words, you cannot smash those stovepipes and create joint centers—unless you have that one person, the quarterback, the National Intelligence Director.

We believe that the National Intelligence Director needs authority over all Intelligence Community elements, including authority over personnel, information, technology and security. Appropriations for intelligence should come to him, and he should have the authority to reprogram funds within and between intelligence agencies.

The National Intelligence Director would create and then oversee the joint work done by the intelligence centers. He should have a small staff, about the size perhaps of the current community management staff.

He would not be like other czars who get the title and yet are given no meaningful authority. The national intelligence director would have real authority. He would control the national intelligence program purse strings. He will have hire-and-fire authority over agency heads in the national Intelligence Community. He will control the information technology (IT). He will have real troops, as the National Counterterrorism Center and all the national intelligence centers would report to him.

We concluded that the Intelligence Community just is not going to get its job done unless there is somebody in charge.

That is just not the case now, and we paid the price. Information was not shared, and we documented it in the book that you have seen. The agencies did not work together.

We have to do better in government. Otherwise we will not make our people safer.

To underscore again, we support a National Intelligence Director, not for the purpose of naming another chief to sit atop of all the other chiefs; we support the creation of this position because it is the only way to catalyze transformation in the Intelligence Community and manage a transformed community thereafter.

Now, if you read our report, it details a lot of unexplored opportunities to disrupt the 9/11 plot: failure to watch-list, failures to share information, failures to connect those dots.

You have read, I think, the story of Hazmi and Mihdhar in Kuala Lumpur in January 2000. You know, we caught a glimpse of them. We identified those future hijackers. We got them. But we lost that trail somewhere in Bangkok, and domestic officials were not informed until August 2001. They did not know that Hazmi and Mihdhar had entered the United States and were living openly in California. Suddenly we started pursuing late leads, but it was too late. 9/11 happened.

In this and other examples, we find that no one was firmly in charge. No one was managing the case. No one was able to draw relevant information from anywhere within the government; no one able to assign responsibilities across the agencies, foreign or domestic, track progress and quickly bring obstacles up to a level where they could be resolved.

No one was the quarterback. No one was calling the play. No one was assigning roles so the government agencies could execute not as individuals or stovepipes, but as a team.

We believe the solution to the problem rests with the creation of a new institution, the National Counterterrorism Center. We believe, as Secretary Rumsfeld told us, that each of the agencies need to give up some of their existing turf and authority. And what will they get in exchange? A stronger, faster, more efficient government across the whole area.

We therefore propose a civilian-led, unified, joint command for counterterrorism. It will combine intelligence—that is what the military I believe calls a J–2 function—with operational planning—what the military calls a J–3 function—but put them both in one agency, keeping overall policy direction where it belongs, in the hands of the President and in the hands of the National Security Council.

Again, we conspicuously and deliberately draw on the military model, the Goldwater-Nichols model.

You know, I think we can and should learn from the successful reforms of the military two decades ago. We want all the government agencies which play a role in counterterrorism to work together in a unified command. We want them to be one team and one fight against transnational terrorism.

The National Counterterrorism center would build on the existing Terrorist Threat Integration Center and replace it and all of the other terrorism so-called fusion centers within the government into one unified center working together.

The National Counterterrorism Center would have the tasking authority on counterterrorism for all collection and analysis across the government, across the foreign-domestic divide. And it is the one that will be in charge of warning.

The NCTC would coordinate anti-terrorist operations across the government, but individual agencies would execute operations within their competencies.

The NCTC's chief would have control over the personnel assigned to the center, and must have the right to concur in the choices of personnel to lead the operating entities of the departments and agencies focused on counterterrorism, specifically the top counterterrorism officials at the CIA, the Federal Bureau of Investigation (FBI), the Defense and the State Departments. The NCTC chief would report to the National Intelligence Director.

Now, we appreciate this is a new and a very difficult idea for those of us schooled in the government of the 20th century. You know, we won the Second World War and we won the Cold War because of the great departments of government: the State Department, the Defense Department, the CIA and the FBI all organized, but all organized under clear nation-state adversaries.

Today, we face something very different. This is a transnational threat. It respects no boundaries. It makes no distinction between foreign and domestic. The enemy is resourceful, flexible and it is disciplined.

We need a system of management that is flexible and resourceful, as is that enemy, a system that can bring all the resources of government to bear on the problem and that can change and respond as this threat changes.

We need a model of government that meets the needs of the 21st century, and we believe that the National Counterterrorism Center meets that test.

We learned a lot as we studied the story of 9/11. The U.S. Government has access to a vast amount of information, but the Government has weak systems for processing and using that information it possesses, especially when they try to use it across agency lines.

Agencies live by the need-to-know rule, and they refuse to share. Each agency has its own computer system, its own security practices, and these are outgrowths of the Cold War.

In the 9/11 story, we came to understand the huge cost of failing to share information across agency boundaries. Yet in the current practice of government, security practice encourages overclassification.

We understand the critical importance of protecting sources and methods. We also believe it is vital to share information. There are plenty of penalties for unauthorized disclosure. There is not a single punishment for refusing to share vital information.

We believe that information procedures across the government need to be changed to provide incentives for sharing.

We believe that the president needs to lead a governmentwide effort to bring the major national security institutions into the information revolution. The president must lead the way and coordinate the resolution of the legal policy and technical issues across agency lines so that this information can be shared.

The model is a decentralized network. Agencies would still have their own databases, but those databases will be searchable, this time across agency lines.

In this system, secrets are protected through design of the network that controls access to the data, not simply access to the network.

The point here is that no single agency can do this alone. One agency can modernize its stovepipe, but it cannot design a system to replace it. Only Presidential leadership can develop the necessary governmentwide concepts and standards.

[The joint prepared statement of Mr. Kean and Mr. Hamilton can be found in the Appendix on page 76.]

STATEMENT OF HON. LEE H. HAMILTON, VICE CHAIRMAN, NATIONAL COMMISSION ON TERRORIST ATTACKS UPON THE UNITED STATES

Mr. HAMILTON. Thank you very much, Chairman Kean.

Chairman Hunter, Ranking Member Skelton, distinguished members of this very important Armed Services Committee, the governor and I understand that it is a very rare thing to call a committee meeting in August, and we appreciate very, very much your sense of responsibility and your sense of urgency. And we commend the Chairman and the Members here for their sense of responsibility.

I want to say what a high privilege it has been for me to work with Governor Kean. All of the commissioners were exceedingly diligent and helpful. The reason the Commission was able to come

to a unanimous view is largely due, I think, to the extraordinary leadership of Governor Kean.

I join him in thanking you, Mr. Chairman and Ranking Member, for your statements. I, too, thought they were just very good, and especially appreciated your willingness to look at the recommendations beyond those that just relate to the structure of government. Those are important, but so are the other recommendations.

And we really do look forward to working closely with you in working through some of these exceedingly difficult problems. We do not pretend for a minute to have all the answers. This is complicated business.

Recently this committee and other committees of the Congress have heard testimony from many very distinguished public servants and academics. Some witnesses have been critical of our call for the creation of a National Intelligence Director.

One theme has been that an overall chief will stifle healthy dissent and competitive analysis. That is a very important comment. And I think all of us would be unanimous in the view that competitive analysis is very important.

We think that no one should be satisfied with the status quo. No one can claim that the current structure fosters competitive analysis. Look at the Senate report on the group-think with regard to Iraq.

The current system encourages, we believe, group-think because national analyses are, in most cases, produced by one group of analysts at the CIA. There is no truly national intelligence center.

I do not think I have to tell this distinguished panel how many times the Defense Intelligence Agency's (DIA) views or other analytic perspectives have gotten squeezed out. We deserve better than to have the DIA or the Bureau of Intelligence and Research (INR) and other important perspectives on national issues reduced to footnotes.

If you like group-think, keep the status quo.

We believe our proposal will both strengthen analysis and enhance competitive analysis. Our proposal creates genuine national centers under the National Intelligence Director, not under the head of the CIA or organized by the DIA.

The DIA and the National Security Agency (NSA) and other analysts would sit right in the middle of the process. Their views would have to be reckoned into the core of intelligence products. Their views would not be shunted to the periphery.

Arguments about competitive analysis sound a lot like arguments against organizing the Joint Chiefs of Staff in the 1940's and Goldwater-Nichols in the 1980's. The argument at that time was something like this: Healthy competition between the services serves the Nation.

Who among you would want to turn back the clock today?

Our military is more capable, more efficient, more effective because of joint commands. Because of joint commands, our military performs far better today.

So, too, in our view, will the Intelligence Community through joint mission centers. You cannot have joint mission centers if you do not have a National Intelligence Director in charge that has the ability to create them and to lead them.

Further, we believe that not all analysis would fall under the new director. State, Treasury, Energy, the Army, the Navy, the Air Force, the Marine Corps intelligence units would still report to their Cabinet secretaries and service chiefs. They would be independent, able to access all the data as the national intelligence centers operating under the National Intelligence Director.

Further, we believe there would be more competition of views with a focus on open-source information, and the development of a new office or agency to collect and analyze solely open-source information. And that would add to the competition of ideas.

If you look back prior to 9/11, one of the things that struck me is how much of the information was open-source. All of the attacks on the United States we knew about and read about. We certainly knew about the fatwas from Osama bin Laden. And as we say in the report, we just did not get it. We just did not understand it.

That was not dependent upon access to PDBs. All of that was in the public domain; we just did not analyze it.

So open-source information needs to be elevated and brought into the mix and would help add to the competition of analysis.

Another worry voiced about this reform is that it would remove from the Secretary of Defense direct and immediate control over national intelligence assets that are critical to warfighters. That, too, is a very important criticism that we have to meet. That is a legitimate concern.

This is precisely why we believe one of the National Intelligence Director's deputies must be the Defense Department's Undersecretary for Intelligence. It is precisely his job to balance the great, but not limitless, intelligence resources of the United States to satisfy both the needs of the warfighter and the national policy-maker.

The Intelligence Community, as you know, has made considerable progress since the 1991 Gulf War in meeting the needs of the warfighter. Now it is time to harness this same dedication and effort so that the intelligence director can better meet the needs of the national policy-maker and also provide for the needs of the military.

It is unimaginable to us that the National Intelligence Director would not give protection of our forces deployed in the field a very high, if not highest, priority.

So let me try to be clear. The warfighter, under our proposal, must have tactical intelligence support. Our report takes no issue with tactical support. In fact, we believe a clear line needs to be drawn. All tactical intelligence programs should remain with the military.

We do draw a bright line between national or strategic intelligence, on the one hand, and tactical intelligence on the other.

Another question raised is with respect to the National Counterterrorism Center: Does it interfere with the chain of command or military operations? We think the answer is no.

The NCTC would not break the military chain of command. It would be like the J–3 for operations in the joint staff. The J–3 is not part of the formal chain of command between the President, the Secretary of Defense and the combatant commanders, but everyone agrees that joint operations planning is essential.

The NCTC would develop joint plans for terrorism operations with military officers directly involved in the planning. If the Secretary of Defense did not like the plan, the plan would change or the head of the NCTC would have to bump the issue up to the National Security Council and to the President.

Others have taken issue with our proposal that the National Intelligence Director and the National Counterterrorism Center be part of the Executive Office of the President.

Our intent with this recommendation is to make the NID and the NCTC powerful forces in the government. We believe that the agencies will work together effectively on terrorism, our most important national security question, only if they are working directly for the President and under the President.

Of course, as a check and balance on this power, we believe both positions must be confirmed, and we believe there must be very robust, strong, congressional oversight.

But we, as the Commission, do not want to get too fixated on the location of the boxes. The authorities are more important than the boxes.

But if these new positions are not in the Executive Office of the President, where do they go? We do not believe they should be in the Defense Department or the CIA because, as the governor mentioned, putting together a counterterrorism policy requires bringing together many, many aspects of government, the military, intelligence, law enforcement, the Treasury Department, tracing money, homeland defense, diplomacy and a lot of other things.

I think it would be a mistake to subsume intelligence and operations planning under these departments that have very important, but very specific, roles.

We made many recommendations. Let me touch on a few that directly affect the Department of Defense.

The chairman mentioned in his statement a moment ago, the recommendation about no sanctuaries for the terrorists. We agree with the President and the Secretary of Defense that we need to locate Al Qaida operatives, kill or capture them and destroy their organization.

What we would add here is that there are potential terrorist sanctuaries over a good piece of the globe. It is not just the Pakistan-Afghanistan border region. It is the Arabian Peninsula, the Horn of Africa, Southeast Asia, West Africa and even some European cities with expatriate Muslim communities.

Sometimes exactly the right policy tool will be a Predator with a Hellfire missile. But we also need to draw on the many other tools in our policy arsenal.

These tools include building strong diplomatic ties with countries threatened by Al Qaida penetration and building trust and cooperation. Those tools include military, intelligence and law enforcement training. They include targeted foreign assistance programs, drilling wells for water, building schools. They include creating educational and economic opportunity.

We must not overdraw on our military forces. They are stretched thin.

We believe that lead responsibility for directing and executing paramilitary operations, whether clandestine or covert, should shift

to the Department of Defense. We believe there should be consolidated capabilities for the training, direction and execution of such operations. Those capabilities are already being developed in the Special Operations Command (SOCOM).

In any operation where weapons greater than sidearms are contemplated, we need military professionals in charge. Those professionals are at the Special Operations Command.

As a government, we should organize, train and equip one paramilitary capability, not two. Many CIA paramilitary operatives are former military and former special forces any way: We need unity of effort within the government to achieve the most effective use of paramilitary covert actions.

Next, we believe the Defense Department and its oversight committee should regularly assess the adequacy of Northern Command's strategies and planning to defend the United States against military threats to the homeland.

We have been assured that NORAD has now embraced the full mission of homeland defense. We believe this committee and the Defense Department need to monitor the development of Northern Command carefully.

In particular, we continue to be struck by the importance of training and exercise. There needs to be a better understanding of standard operating procedures for the military, the Federal Aviation Administration (FAA) and civilian counterparts. We were just minutes away from shooting down the governor of Kentucky over Washington, and we need to do better.

Let me conclude. Mr. Chairman, we believe reforms in the executive branch, reforms in the Congress, as well as many recommendations we did not present this morning on public diplomacy and border and transportation security and foreign policy and national preparedness, can make a significant difference in making America safer and more secure.

We believe that reforms of executive branch structures, in the absence of implementing the other reforms and recommendations in our report, will have significantly less value than the value of these reforms as a complete package.

In short, while we welcome each step toward implementation of our recommendations, no one should be mistaken in believing that solving structural problems in the executive branch addresses completely, or even satisfactorily, the current terrorist threat we face.

We are gratified by the rapid response of the White House to our recommendations. We welcome the President's support for the National Intelligence Director and a National Counterterrorism Center. We likewise welcome the support of Senator Kerry.

We are looking forward to working with you on our recommendations.

We should seize this historic opportunity and move expeditiously. With your counsel and direction, we believe that the Nation can and will make wise choices.

And we are pleased now to respond to your questions.

[The joint prepared statement of Mr. Hamilton and Mr. Kean can be found in the Appendix on page 76.]

The CHAIRMAN. Well, thank you so much, gentlemen, for a very complete overview and summary of your recommendations in your report.

You know, DOD has a large piece of the intelligence apparatus: obviously, the National Reconaissance Office (NRO), NSA, DIA, et cetera, under the Department of Defense right now, under the Secretary of Defense. And under your proposal, the direction of those strategic assets, if you will, would go to NID.

Now, in reading the report and the shortcomings of 9/11 in which law enforcement agencies missed the evolving plan for the attacks, I do not see any specific mention or instance of a failure or a negligence on the part of a DOD agency with respect to those failures.

So, on the one hand, I see the description of the failures, and there are major failures, as you have mentioned, Governor, from the time that we locked on to the perpetrators and lost them, as you said. But those failures, as I understand, did not involve DOD agencies.

So my question is, to start out with, have you found any specific instance where there was a failure of the NRO, National Reconnaissance Office, or the NSA, National Security Agency, or the National Geospatial Agency, or the Defense Intelligence Agency, or any of the intelligence commands and the services that you mentioned?

Were there any failures with respect to those agencies in 9/11? Because part of your recommendation for reform does involve transferring control of those agencies from DOD to the National Intelligence Director.

Mr. KEAN. Well, a problem we have is of communication between agencies. I mean, perhaps, one of the best illustrations that hit me when I first heard about it is in 1998, George Tenet got it. And he issued a statement. He said, I am declaring war. And he said all agencies and operations are now going to concentrate on Al Qaida and this threat.

And that is a very important thing, when the head of an intelligence agency declares war. Nobody got it. Nobody got it in other agencies. Nobody got it, even in some cases, within the CIA. We can find no effect, basically, of that declaration of war.

What we are suggesting, I guess, is that if you had that coordinated and that declaration of war had been made under the system we recommend, the military, the diplomatic side, the intelligence side, they all would have gotten it. And the Nation would have moved as one. As it was, with that particular statement, it was like he had never said it. We cannot find any repercussions of it whatsoever.

So that is the kind of thing we are trying to do. We are not criticizing specific agencies, the Defense Department. But we are saying coordination, with the Defense Department being part of that coordination, is very, very important, we think, to the future defense of the country.

Mr. HAMILTON. Mr. Chairman, I want to say that we do believe that there are a lot of extremely able, competent and patriotic Americans doing their level best to protect the American people.

And we did not take the posture throughout the Commission's work of trying to say, "Okay, this guy is to blame or this agency is to blame." We thought that was a dead-end road.

And so we did not look at the DIA or the NSA or the NGA or the NRO and say, "It is your fault." We cannot do that. I do not have information that would suggest that, that it is their fault.

So the answer to your question is, I do not recall us finding a failure of a DOD agency so far as we know. But we certainly think that part of the problem has been an unwillingness to share the information that a number of different agencies had. And that is what we focus on very heavily.

Now, with regard to the military options, high-level American officials in both administrations—by which I mean Bush and Clinton administrations—complained about the lack of military options in going after Osama bin Laden and going after Al Qaida.

And the military did, in fact, develop a number of options, but they were never deployed for a variety of reasons; the chief one being, I think, that the top-level policy-makers never found what they call—I know you have heard the phrase—actionable intelligence.

So looking back, we often said to ourselves, "Oh, my goodness, why didn't we use military power earlier on, after the Cole or after some of the other developments—Khobar Towers and all the rest? Why didn't we use more military power?" In retrospect, it looks like we should have.

But the people who had the responsibility to make the judgments at those times said: No, we did not have strong enough intelligence to tell us exactly where to go without creating collateral damage and without causing repercussions.

The CHAIRMAN. Thank you very much, Lee.

Your recommendations are to leave the intel functions of the services intact—Marines, Army, Navy, Air Force, et cetera. But if you look at the operations that have been undertaken in Afghanistan and Iraq, we are all familiar with that image of the Special Forces officer on a horse literally using the capabilities that are delivered to us from a satellite, which is a national asset and a strategic asset, to handle a real-time, time-sensitive operation.

So do you see any problems there? Because that would involve not just the tactical assets that are at the service level, but because we are interconnected and because now we have developed these every effective ways to use satellite capability, for example, to undertake a military operation right here, right now.

If we give the ownership of that satellite to a director rather than DOD, which it is now chopped out to in times of war, do you see any problems there?

Mr. HAMILTON. Mr. Chairman, we did not intend to make any recommendation which would adversely impact the warfighter. We do not want to do that.

What we are trying to do is increase the capability of the Intelligence Community to identify terrorist threats and to deal with them and to manage them.

And we do not see that interfering with fighting a war, and it should not.

What you have to balance here is, on the one hand, national or strategic intelligence, and on the other hand, tactical intelligence.

And the line at times may be difficult to draw. But we want to draw as sharply as we can a bright line between the national strategic intelligence, on the one hand, and the tactical intelligence, on the other.

The CHAIRMAN. One last thing, and that is that, one thing that you have mentioned in your report that a number of folks have mentioned now is that we have drawn down in decades past, strongly drew down the number of agents, informants, human intelligence that we had, cut it and slashed it fairly substantially.

Probably everybody here would be willing to trade three or four bureaucracies in Washington for one guy in the room or somebody reliable who knew somebody in the room when they made the decision to hit us.

Is that going to be a strong part of your recommendation, that we rebuild the human intelligence piece of our apparatus?

Mr. KEAN. There is no question about it. And one of the things that was, frankly, appalling to me is when Director Tenet testified before us, and we asked him about rebuilding that capability of the CIA, and he said it would take five years.

We have not got, Mr. Chairman, five years. We have to do it faster than that.

And human intelligence, trying to get people inside some of these operations, is something we did very well 10 years ago, 15 years ago, 20 years ago. We have allowed that capability to wither. And we have to rebuild it. And we have to rebuild it as fast as we possibly can.

We went very heavily into the technological capability, and that is very helpful. Satellites are wonderful. So is the Predator; it is wonderful. That technology, we are using it; but it does not replace human intelligence. It has to be rebuilt, and it has to be rebuilt much more speedily than that five years the Director said.

Mr. HAMILTON. Mr. Chairman, let me just observe here that the demand for better human intelligence is nothing new. We were talking about it 20 years ago when I was chairman of the Intelligence Committee. Maybe we did not do a good enough job at the time. But we have recognized for a long, long time our deficiencies in human intelligence.

I am all for all of the recommendations to increase our capabilities there. But I do think it is important to recognize the limitations.

Penetrating one of these cells of Osama bin Laden is a very, very tough target. They are very closely held, often have family ties. They certainly have strong religious, linguistic commonalities. You cannot take a guy like me from the Midwest, a graduate of Indiana University, and expect me to be able to penetrate Osama bin Laden's cell.

And this goes to the question of diversity in the CIA. If you are going to have human intelligence, you are going to have to produce fluent speakers in about 20 languages, most of which languages we cannot pronounce, let alone, speak.

And I think the director, although Tom is right in saying that we were all disappointed when we heard that, he is realistic, too,

because this is a very tough job, a very important job, but difficult to pull off.

The CHAIRMAN. Thank you very much, gentlemen.

Mr. Skelton.

Mr. SKELTON. Mr. Chairman, thank you.

Among the considerations, besides the rearranging of boxes and the definitions of capability, history tells us that the people who are appointed to these positions, in particular the National Intelligence Director, must be truly outstanding, intelligent, wise and of course a person of integrity.

Much as we were blessed to have a George C. Marshall during the Second World War, and hopefully when your recommendations come to pass there are such individuals that will be tapped to do that.

Since you are a member of the Congress, Mr. Hamilton, let me put this question to you. What recommendations or what improvements would you make for Congress to help in the war against terrorism, besides of course passing the proposed legislation?

Mr. HAMILTON. One of our proposals is focused on the Congress exclusively, and I will speak to that.

Oversight of the Intelligence Community is very difficult business. The only place you get independent oversight of the Intelligence Community is in the Congress. You do not get it in the media; they do not have the information. You do not get it in special interest groups; they do not have the information, either. Only you can give robust oversight.

The President has a group that he appoints. And I think they have done some good work, incidentally. But they are not really independent of the President because they are all appointed by the President. We think a robust oversight by the Congress is hugely important to monitor what goes on and to keep an eye on the activities of this vast Intelligence Community, which operates, as it must, in secrecy.

We make alternative suggestions.

One is to go back to the model of the Joint Atomic Energy Committee, which oversaw, after World War II, the development of our nuclear arsenal. It is a joint committee.

I frankly do not know, Mr. Skelton, if the Congress, if the House and the Senate today would accept a joint committee. I chaired a joint committee some years ago, the Iran-Contra Committee. At the end of it, several senators came up to me and said "Hamilton, never again will we ever join with the United States House of Representatives on an investigative committee."

That may be the answer, I do not know, to that proposal. You have to make that judgment, whether it can work.

The other alternative we suggest is a very radical proposal. And the radical proposal is that there be an intelligence committee in both the House and the Senate. And here is the radical part of it: You would have both authorizing and appropriation powers.

We think a lot of good work is done by the Intelligence Committee today. But we think they do not really have power on the budget. And let's be frank, the budget is where you have power. And it is where you can make an agency or a department responsive to your interests.

And if you do not have the budget power, you do not have sufficient clout to bring about transformation.

So we hope that the Congress will look very seriously at how they oversee intelligence.

Let me give you one other example, Mr. Skelton, that I used this morning when we were visiting. I was on the Senate side, and one of the senators spoke up and said, "I am on the Defense Appropriations Subcommittee. Last year," he said, "we spent ten minutes, ten minutes on the budget for the Intelligence Community." That is about $40 billion, as the press has reported.

A day or two later, I was meeting with another group of senators, and I used that illustration. And another senator got up and said, "Hamilton, you were wrong. You were too generous. We spent five minutes on it."

Now, the Defense Appropriations Subcommittee has a vast responsibility. I do not know what that budget is. It is over $400 billion. This is a tenth of it. It is a very small part of it. It is a very important part of it.

But you must feel, if I have stated this accurately—and my information comes from a couple or three senators—you must feel that we are not doing a sufficient job of oversight.

And I think the Congress really has to get its act together in strengthening this oversight capability.

Mr. SKELTON. Thank you, Mr. Hamilton.

I have said for some time, the real war lies in Afghanistan.

On page 370 of your commission report, I would like to read a short paragraph: "The grave challenges remain. Taliban and Al Qaida fighters have regrouped in the South and Southeast. Warlords control much of the country beyond Kabul.

"The land is awash in weapons. Economic development remains a distant hope. The narcotics trade, long a massive sector of the Afghan economy, is again booming.

"Even the most hardened aid workers refuse to operate in many regions. And some warn that Afghanistan is near the brink of chaos."

What are your recommendations regarding Afghanistan, which of course is the genesis of all of the terror that we have experienced?

Mr. HAMILTON. Our recommendations are quite simple. And that is that we believe we have to make a long-term commitment to the security and stability of Afghanistan.

Afghanistan is the incubator of Osama bin Laden. Without the protection that the Taliban government in Afghanistan gave to Osama bin Laden, they never would have been able to pull this 9/11 off.

And we must understand what the chairman said, at the very first, the importance of getting after these sanctuaries. So Afghanistan, as you cite from the report, has huge problems today. We believe the American commitment there must be long-term and vigorous, robust to bring about the stability and security of the country.

Mr. SKELTON. Are we doing enough today?

Mr. HAMILTON. Well, obviously, in the paragraph you cited, there are a lot of problems there. My view is we are not doing enough today there.

But I also think in very recent weeks and months, activity has picked up quite a bit. And so, the game is still in doubt, but we must not let the opportunity slip away to bring security and stability to that country.

Mr. KEAN. I would just say that Afghanistan we talk about very seriously, because it is the country that spawned bin Laden and Al Qaida. But we mention it as one of three countries that we have simply got to stay very engaged with.

One is Afghanistan, because if anything goes wrong there we could go right back to sanctuaries and all those problems. The other is Pakistan, which is very fragile in many ways and yet absolutely essential in this war against terrorism. And the third is Saudi Arabia.

If any of those three countries go bad, in a sense, become really unstable, then this war on terrorism will become much more difficult to fight.

And, of course, if we do not do well in Iraq, that could go to the head of the list.

So we believe very seriously we have got to engage ourselves very strongly not only militarily, but diplomatically and in other ways to try and help those three countries toward stability, because it is in our interests just as much as it is in theirs.

Mr. SKELTON. Mr. Chairman, I have additional questions, but I will ask them at a later moment.

The CHAIRMAN. I thank the gentleman.

The gentleman from Pennsylvania, Mr. Weldon.

Mr. WELDON. Thank you, Mr. Chairman.

And let me thank the Commission panel leaders and the commissioners for their outstanding work and for their excellent recommendations.

However, Mr. Chairman, my own feeling is this is not about recommendations. In fact, we have known what needs to be done for a number of years.

As I told the Commission Chairman when they first unveiled their report to Congress, their primary recommendation is to create a national collaborative center.

It was this committee in 1999 that prepared a nine-page briefing to create what was then called the National Operations and Analysis Hub to assess emerging transitional threats for the policymaker.

If you read the summary of the recommendations, it is almost identical to what the 9/11 Commission has just now said. But this was done in 1999.

Now, I will tell you, we made the recommendation over and over again. In fact, on November the 4th of 1999, Mr. Chairman, I had a meeting in my office that was suggested to me by Dr. John Hamre, who was then Deputy Secretary of Defense.

He said, "Invite in my counterparts in the CIA and the FBI," and we did, and we presented this briefing to them, which was prepared, by the way, by the Intelligence Community, some of the more progressive leaders. And the response by the CIA was, "We do not need that capability." That was in 1999.

So, Mr. Chairman, this committee put language in three successive defense bills—three; two of them put out before 2001—to cre-

ate what the Commission is now calling for, a national collaborative center. And the CIA repeatedly said, "We do not need it."

In fact, I have here, Mr. Chairman, a response by the agency in a mandate that we gave, conferred by both DOD and the CIA, and this is what they said about this need, which the 9/11 Commission has now just also focused on: "A single overreaching collaborative solution is not practical." Not only they did not want it, they did not even want to consider it.

So the problem is not recommendations, Mr. Chairman. We have letters here that I can put in the record, and I will ask unanimous consent to put them in the record.

We did statements on the floor of the House, in this committee where we repeatedly called for a national collaborative center, and the agency said, "We do not need that, Congress."

We put language in three successive defense bills and the agency said, "We do not need that, Congress."

I met with George Tenet personally, as did my colleagues on this committee. They said, "We do not need that."

In fact, John Hamre offered to pay for it. He said, "I do not care where they put it. They can put it under the White House, any place. I will pay for it." But the agency said it is not necessary.

In fact, this committee created the Gilmore Commission. Now we have recommendations the Gilmore Commission—which we created in 1998, I might add—proposed 144 recommendations in 5 documents. Here is one of the documents.

And what were those recommendations? To deal with the emerging threats of terrorism involving weapons of mass destruction; 5 documents, 144 recommendations, created by this committee. In fact, 14 of their recommendations are identical to the 9/11 Commission's 42; they are identical. It is the same thing.

So it is not the recommendations. This committee created a task force in 1998 that told us what to do. Three of these reports were published before 9/11—three of them.

In fact, Mr. Chairman, this committee has been in the forefront of what needs to be done, so much of what is in the 9/11 report does not surprise me.

The problem we have, Mr. Chairman, in a nutshell, and I can sum it up, is the arrogance of the entrenched agency bureaucracy. That is the problem.

The arrogance of the entrenched agency bureaucracy does not want to hear from the Congress. They will find a way to manipulate through the legislative process, using the White House or using various committees. The end result that they want to achieve, even when we know what needs to be done, that is the problem.

In fact, Mr. Chairman, it is kind of funny, one of the commissioners—and his name will remain anonymous—made a quote and he said in a recent hearing—actually, it was before the Committee on Government Operations—he said, it is remarkable and shocking that a senior member of this Congress and this Administration first learned of the Iranian connection from us, not from the Intelligence Community, meaning the 9/11 Commission.

So, Mr. Chairman, I would ask for unanimous consent to put this 170-page document in the record in a classified form.

Mr. Chairman, this is the work of this committee for the past 18 months, that documented in memo after memo from two Iranian informants in Paris that Iran was undermining Iraq.

This information did not come from the 9/11 Commission. This information was sent to the CIA, the DIA, in fact every member of the Senate and House intelligence committees repeatedly. In fact, it was through this effort that we told the Administration that the Iranians were funding Sadr eight months before Sadr's name was even public.

It was through this work that we told the Administration that Iran was crashing in a nuclear program one year ago. It was through this work that we told the Administration that Iran sent three teams through China into North Korea to acquire nuclear technology.

It was through this documentation that this committee did that we talked about the training by Iranians of terrorists that were looking at attacking a nuclear power plant with the first three letters of S-E-A, which could have been Seabrooke or Seattle.

And in fact, last August, a year ago, the Canadians caught several pilots in a small plane casing out an alleged plot to attack a nuclear power plant, probably Seabrooke.

Mr. Chairman, the problems are not recommendations. Yes, there are great recommendations here, there are 144 great recommendations here. They were great recommendations when we first proposed to create the National Collaborative Center in 1999. The problem, Mr. Chairman, is the arrogance of the entrenched agency bureaucracy.

Now, I am not on the Intelligence Committee, and I will tell you why I am not on it: Because the agency likes to manipulate the Intelligence Committee's activities, and I will say that publicly.

And I do not care whether it was headed by George Tenet or by previous directors, Jim Woolsey or some of the other great people who led that agency.

This Congress makes great recommendations, and has consistently from both Democrats and Republicans dating long before 9/11. The problem is not recommendations. It is an agency bureaucracy that does not want to respond to the obvious of what needs to be done.

Mr. Chairman, the facts are what they are. And once again, this committee has done outstanding work, long before 9/11, that would have allowed us to better deal with the tragedy of September 11.

And that is why on September 11 I said live on CNN, "Today the government failed the American people." Because we knew what should have been done. This committee put those recommendations into writing, and the agency bureaucracy repeatedly said, "We do not need that. It is not necessary. It is redundant."

And so, I think in taking the recommendations of the 9/11 Commission, we better understand that the problem is going to be far more difficult than just knowing what needs to be done. It is going to be dealing with an agency system of entrenched bureaucrats who think they have all the answers and all the solutions, and they do not want to hear from the other end of Pennsylvania Ave.

Thank you.

The CHAIRMAN. I thank the gentleman.

Mr. KEAN. I have just one comment.

We do not disagree with you at all, Congressman. In fact, we drew in a lot of good ideas. And I certainly do not disagree with you on how hard this is with the bureaucracies.

We were told by a number of, sort of, wise heads in a sense around this town as we started to move toward these recommendations: These are hard, very, very hard. People before you have tried to do this kind of thing, and they have failed.

A historian called me the other day and said, you know, you have one chance every generation to reform government—one chance.

This may be our generation's chance, because of the timing, because of the recommendations of the Commission, because of support from Members of the United States Congress, because of support from the President, Senator Kerry.

This may be the time. This may be our one chance to reform government.

I guess what we are saying as a Commission, is we recognize what you have done, and we commend you for it. For some reason, that was not the time. You could not get it done.

Now has to be the time, because if we do not get this done now, we are facing more terrorist attacks; the American people will be less safe rather than safer.

And we do not think we can go with the status quo; that it is not an option.

So we think now is the moment. If not now, when?

And I hope we can move together now in a nonpartisan or bipartisan sense to get these recommendations implemented and other recommendations, which members of this committee may come up with and may help with the overall recommendations already in our report.

Mr. HAMILTON. Mr. Chairman, I would just observe that we do not claim originality on our recommendations. We have built on the shoulders of a lot of people, many of whom are sitting before me.

And we have built on the shoulders of a lot of Commissions that have preceded us, including the ones that Mr. Weldon mentioned, and including the recommendations he made in, I think he said, 1999.

So there is a lot of truth in what he says, and we are putting them forward because we were asked to do so by law. But we have no claim to originality.

The CHAIRMAN. I thank the gentleman.

The gentleman from Hawaii, Mr. Abercrombie.

Mr. ABERCROMBIE. Thank you very much.

Mr Chairman, I think both of you mentioned in the course of your remarks the Northern Command. I want to bring that up as a case in point here about coordination.

I think there was a mention also of the word czar. I hope we can avoid that word from now on. Certainly from our point of view, I think we should.

Czars do not have too good a record in this world. And I think they are also subject to a lot of inbreeding. [Laughter.]

So maybe we should just let that slide.

Because I also think from a position of trying to inform the public, it skews the imagination in a direction that I do not think you really want to go in, or certainly that we want to go in.

Now, the reason I mentioned that in the context is Northern Command, the chairman knows very well that I have been, at least one, and I think there are others who when this Northern Command came up asked: Well, just what is this for? How is this going to work?

And one of the disappointments, let me say—because, as you know, both of you have been on the receiving end of a lot of praise so far, so—one of the disappointments I had was the assumption that you had that the existing agencies maybe should all just stay there.

Now, maybe that is not the final implication of what you were saying. But this agency, this Northern Command sprang out of nowhere—and if you go back to the first part of your report, where you are going to have, you know, the NORAD, the FAA, all of the information all floating around, going in different directions, NORAD saying the things that they said happened did not happen; things that they said did not happen did happen.

And now the NORAD has transmogrified itself into the Northern Command. And the question I ask over and over and over in this committee is: Just exactly what is your authority? Who is in charge? Has posse comitatus gone out the window?

If NORAD was in charge up to the borders, you mean nobody ever thought of the idea that maybe a plane might leave Montreal or Vancouver and fly over the border?

If the Library of Congress can put forward analysis to us that the likely attack in 1998, they were saying this, on the United States would be commercial airliners flying into the World Trade Center, and NORAD does not know it, what the Northern Command does is beyond me.

The question that I have here at this point is: Do you have recommendations with respect to how this coordination is supposed to take place between the United States military and civilian authority, if you will, based on whatever intelligence comes into effect?

Because the focus of this committee in many instances has been outside the borders of the United States—how do we react to terrorist threats, no sanctuary anywhere—whereas your Commission is about 9/11, it was an attack in the United States.

I represent the one area previous to 9/11 that was attacked, the territory of Hawaii, and I see certain, I am sorry to say, parallels taking place here.

Just how do we coordinate and obey our own constitutional imperatives, coordinate the United States military and a response internally in the United States with the imperatives of coordinating intelligence and understanding what should be taking place at an operational level in the event of some kind of attack?

Where the Northern Command comes in, this is beyond me. I still cannot figure out what the hell they do except draw down from the other commands.

When I asked them about that, I said, "Where are you going to get your personnel?" They said, "From the other commands." I said,

"You mean the other commands were overstaffed?" "Oh, no, no, no, not at all."

And so, it just goes on. It keeps on rolling on.

Mr. Weldon has made that point.

So how do you deal with that under what you are proposing with the national intelligence chief?

Mr. KEAN. First of all, there is no question that on the date of 9/11, we were still focusing on Cold War priorities. We were all ready for an attack, but we were ready for an attack that was going to come from the direction of the ex-Soviet Union. Had planes come from that direction, there is every chance we could have known about it early and been able to intercept them.

Mr. HAMILTON. We had absolutely no preparation on that day. In fact, we had cut down the number of people we had ready to respond to anything that happened internally in the United States. Hopefully, much of that has been corrected.

When we talk about the Counterterrorism Center, there is of course representatives of the Department of Defense and the military. The idea from the Counterterrorism Center is to coordinate together so that we do not have stovepipes, whether they be military or civilian, and the intelligence agencies that are civilian can coordinate with the military.

Mr. ABERCROMBIE. Governor, because the time is short, if you will let me interrupt. I agree with that. My point, what I am trying to get with this illustration is that if I understand what you want to do, you want to get the coordination of information on a horizontal basis from the point of view of policy, from the point of view of direction, so that at the operational level, whether it is NORAD or Northern Command, whatever it is, they will be able to make operational decisions in the event of an incident or something taking place.

Absent that, I do not see that we will not be doing much besides rearranging deck chairs, up at first class maybe. But down in the hole, down in the engine room, we will still be in the same position.

Mr. HAMILTON. We do want operational coordination, and we recommend it in the report, training exercises together, all those things that would make us ready in case of——

Mr. ABERCROMBIE. But would you agree, Mr. Hamilton, that does have to be resolved, that operational side of homeland defense and the United States military? We have got to figure out a way to deal with that without getting sidetracked into arguments about whether the warfighter is going to be interfered with in terms of intelligence and application of intelligence.

Mr. HAMILTON. Yes, I agree.

You asked the question: Who is responsible for defending us here at home?

Mr. ABERCROMBIE. Yes.

Mr. HAMILTON. And the answer we give is two.

Number one is the Northern Command.

This committee, as I perceive it, has the responsibility to see whether or not the Northern Command is, in fact, defending the United States of America, the Continental United States of America.

And the second answer, of course, is the Department of Homeland Security. Their responsibility is to protect us here at home.

The Northern Command, prior to 9/11, looked upon their responsibility basically as defending against foreign attacks, and not really looking inward.

We have been told repeatedly that they have adjusted to that, that they have——

Mr. ABERCROMBIE. They did not adjust very well to the governor of Kentucky flying into Washington.

Mr. HAMILTON. Those are the kinds of things that make you a little nervous. They tell you they have done a lot of things. And I believe they have. But something like that happens, and you wonder how effective they have been.

So we believe then that both NORAD and the Northern Command and the Department of Homeland Security have the responsibility here.

Mr. ABERCROMBIE. Who is in charge?

Mr. HAMILTON. Well in terms of, the coordination would have to take place, I believe in the National Counterterrorism Center.

Mr. ABERCROMBIE. Give me just ten seconds more, just ten seconds, Mr. Chairman. My time is up.

See, that is where I think we have to make decisions about a national intelligence chief and so on, so that these kinds of situations can be addressed and a decision made as to who is going to be in charge up and down of the line and crossways.

Mr. HAMILTON. Well, that is exactly right.

Mr. ABERCROMBIE. Thank you.

Mr. HAMILTON. You see the problem you are identifying is the stovepipe problem.

Mr. ABERCROMBIE. Yes.

Mr. HAMILTON. And we must deal with the stovepipe problem. You have a lot of very good people doing very good work in their area. I think the classic illustration of this was on the Moussaoui case, which you all know about—the Minneapolis fellow who was engaged in flying school, and the FBI was investigating him in Minneapolis.

But the headquarters in FBI did not know anything about it. It came to the attention some way of George Tenet at the CIA, and we asked him what he did about it. This was in August before the September attack. And he said: Well, I have asked my people to work with the FBI people. And we asked: Mr. Tenet, did you mention anything to the President? He said no. And his response was: It is an FBI case.

Now, I do not think he was wrong in that. As things existed then, he saw his responsibility very narrowly. I do not mean that critically. I think he was acting according to law and policy and everything else. But he said: This is an FBI case.

Now, just think what would have happened if we had had some kind of mechanism to bring all together the information that the FBI had, that the State Department had, that the CIA had on Moussaoui. And somebody sat there and said: Okay, this is my responsibility; I have to manage this case. We have got bits and pieces of information here, there and yonder. Somebody has got to put it together, take charge of it, manage it.

Mr. ABERCROMBIE. Well, right now, the Northern Command is not doing that.

Mr. HAMILTON. Well, it takes more than just the Northern Command.

Mr. ABERCROMBIE. I understand that. But that is the problem. Our response right now has been—and Northern Command, the best answer you can get out of them is, "We coordinate." What the hell they are coordinating is beyond me.

The CHAIRMAN. Let me remind my colleague—I think we have had a good question and answer. We have got a lot of folks who came back from their districts to make this hearing, so we need to move on and work this five-minute rule.

But I appreciate the question. Thank the gentleman.

The gentleman from New Jersey, Mr. Saxton.

Mr. SAXTON. Thank you, Mr. Chairman.

Let me begin by thanking you, Chairman Kean, Vice Chairman Hamilton, for the great job you have done over the last year and a half. It has been a great effort, and your success in coming to an unanimous conclusion on a number of recommendations is very much appreciated by the members of the committee. A job well done, and thank you.

I serve, as you may know, as Chairman of the Terrorism, Unconventional Threats and Capabilities Subcommittee here on the Armed Services Committee. And as such, I recognize that while we have a long way to go, there are some things that we have done right over the years, and we want to make sure that any changes that we make subsequent to your recommendations do not have an adverse effect on the things that we think we have done right.

In 1980, a failure known as Desert One gave rise to some changes that took place during the 1980's in the military, namely the adoption of legislation that created the Special Operations Command. Today, 49,000 men and women serve as members of the Special Operations Command, and they are the point of the spear in our military operation in the war on terror.

Two of your recommendations potentially have an effect on the Special Operations Command. And so, I am interested in your opinions. Obviously, you would not do damage to the ability of the Special Operations Command to do its job—not intentionally—nor would we.

But there are some things that we need to talk about. First, the Chairman, Chairman Hunter, has already mentioned the possibility of working or acting to deteriorate the tactical intelligence capability of our warfighters and, in terms of this specific discussion, the members of SOCOM.

We want to make sure that that does not happen. It is extremely important for us in modern warfare, particularly in the war on terror, not only to have accurate, pinpoint information on where the bad guys are, but also in a timely fashion, because they move fast.

Operating through a director in Washington could have—I am not saying it would—but could have a delitorious effect on the ability to have pinpoint intelligence in the most speedy fashion. And so, I am interested in your opinions on that.

Second, you have made a recommendation that I think Vice Chairman Hamilton touched on that I would like to draw attention

to. The recommendation is to transfer lead responsibility for directing and executing paramilitary operations, whether clandestine or covert, to the Department of Defense—shift it away from the CIA to the Department of Defense—there should be consolidated for the capabilities for training, direction and execution of such operations already being developed in the Special Operations Command.

And then, the recommendation goes on to say we cannot afford to do this in two different places; we have got to do it in one, and SOCOM is the place to do it.

I would just point out that in the CIA, there is a much different compensation system than there is in SOCOM. Senior non-commissioned officers (NCO) in SOCOM make little under $50,000. And my understanding is that people who are doing similar work in the CIA are making about twice that. And so, there is an issue there that we have to address.

Second, the CIA culture and training are significantly different. In order to get an operator in SOCOM, someone is probably in the military for about nine years; then they become an operator. I do not believe the CIA training is anywhere near that rigorous. And so, there is another issue there to be considered.

Also, I understand that the CIA reports on a continuous basis to the two select committees, one which the Vice Chairman chaired some years ago, so he is very familiar with that.

And so, would the intention be for SOCOM then, with regard to these paramilitary operations, to be responsible for that kind of reporting to the Congress?

And finally, the CIA paramilitary takes part in operations known as espionage. SOCOM does not.

And so, there are some issues here that we have to deal with. And I am interested, A, then, in your response to the intelligence issues. Because I know there is not an intent to diminish the capability of SOCOM by affecting intelligence operations that they currently conduct, but I do not see any assurances to that effect in your recommendations; and then, these other issues, including CIA compensation, CIA culture and training, CIA reporting to Congress, and CIA paramilitary activities involving espionage.

Mr. HAMILTON. Mr. Saxton, on pinpointing the information, the intelligence for the tactical commanders, we do not want to recommend anything that will decrease the effectiveness of tactical intelligence. I do not think we say anything in our report that suggests we want to weaken our tactical intelligence.

So I think that any interpretation of our report to that effect is erroneous. And our intent is to strengthen, not to weaken, tactical military intelligence.

With regard to the paramilitary question, we do not see why you need to build two Fort Braggs. You are developing today—and we visited the Special Operations Command forces—you are developing an extraordinary group of military fighters. And it is not necessary to duplicate that.

And so, where you have a covert action that is military—and I do not know how you define "military," but one way to define it is if you have to carry more than a sidearm, for example—we think that responsibility should be with the warfighters, the Special Operations Command. All other covert actions—propaganda, for ex-

ample; there are a great variety of them—should be with the CIA and not the DOD.

Now, this is an issue that has been kicked around for a long, long time. And there are different views on it.

I must say that, in looking at the covert actions that were presented to Presidents Bush and Clinton prior to 9/11 by the CIA, we were not impressed with those covert actions, principally because they relied upon proxy forces.

And we in this government literally kicked around for months and months and months covert actions using proxy forces. And they never did work out. And we lost a number of opportunities, we believe.

So looking back, we say to ourselves, and this is for the benefit of hindsight, if we had had Special Operations Forces, that could be inserted immediately, I think our chances of wiping out some of these nests would have been much, much greater than it was.

Now, you raised a lot of questions, frankly, I did not know about. I did not know the difference on this compensation. We did not look into that, to be very blunt with you.

And our recommendation was limited to the paramilitary covert actions.

The CHAIRMAN. Okay. I thank the gentleman.

And just one point to our guest that Mr. Saxton touched again on this idea of assets in theater, using them for tactical operations. We used the example of the Special Forces folks bringing stuff down from satellites.

And also, you have things like Joint Direct Attack Munitions (JDAM) and other precision systems that operate not on tactical system, but operate on what are known as strategic systems. Because we have broken down that barrier, if you will, and you now operate across a spectrum.

So that is the question, Lee. It is a little different from the question you have answered with respect to tactical system. You do use these systems that are under some of the agencies that would be brought under a National Intelligence Director. Some of those systems are used for tactical operations, simply because that is what they use.

Mr. HAMILTON. We obviously believe that the Special Forces need real-time support. And one of the key jobs of the National Intelligence Director is to have a deputy who has the job of balancing the national and the technical needs. And that is where you would get the coordination.

Now, keep in mind that the military often needs more than just tactical intelligence. And you have to have a place where that can come about. And we think it is in the National Counterterrorism Center.

The CHAIRMAN. Thank the gentleman.

And the gentleman from Massachusetts, Mr. Meehan.

Mr. MEEHAN. Thank you, Mr. Chairman.

And I want to thank the Chair and the Vice Chair for the presentation today.

And thank you and the Commission for the way you have gone about conducting your business on this report.

This is a very divided country right now, politically. It is an election year. And I think the Commission has done a great job in terms of conducting itself in a bipartisan way, with some very difficult issues in a difficult atmosphere.

And it is really become challenging in this country to make difficult public policy decisions in an environment that is enclouded by politics. And many of us have watched closely the Commission conduct their business. And I have to say I am very impressed with the ability of the Commission to conduct business and issue this report that is unanimous and bipartisan.

We lost 200 people from Massachusetts on 9/11, and I have worked closely with those families. And as all of us know, the families are really the reason why we are able to get this Commission to begin with. They really pushed it because they wanted answers. And what they have here in this Commission report is a candid, comprehensive narrative of the events leading up to 9/11.

I remember talking to one woman in my district, who was the wife of Captain John Ogonowski. He was the pilot of American Airlines Flight 11, probably the first one to be killed on September 11. And I remember talking to Mrs. Ogonowski.

And she said to me, "You know our Intelligence Community failed us. I am trying to pull my life together. I have three young daughters, and we will move on. But our Intelligence Community—my husband woke up that morning and was defenseless, did not have any of the information that was probably out there. And he was a Vietnam War veteran, great background, smart, tough."

I am wondering, number one, did the commercial pilots have any information vis-a-vis potential terrorist threats? And number two, do we have any mechanism in place now to see to it that commercial pilots get information on potential threats?

Mr. KEAN. I do not believe those pilots had any information whatsoever that day that we have been able to find.

And the training they had was totally wrong for the enemy we faced, because what the pilots, as were the crews, were trained to do—if somebody wanted to hijack a plane, those people were trained to say, "Go ahead," because they thought that was the best way to preserve the life of the passengers. And they would land in Havana or some other place, and presumably the passengers were let go and were able to go home.

That is what the industry had trained their pilots to do up to that point. So they were totally unprepared for this kind of an enemy, of people who would sacrifice their own lives to kill as many Americans as they possibly could. That was beyond their comprehension. And so they went into that totally untrained.

And I think, by the way, our view is that one of the best weapons we have now against anything like this happening again is not just the cockpit doors being hardened, or not because some people are able to carry guns, or because of the sky marshals, but it is, in fact, to alert passengers.

Those passengers—if you see somebody trying to light their shoe or form some other action, there are going to be people all over his back. People are going to jump him. And that is probably some of the best protection we have today, a very alert citizenry and very alert people who fly.

But to answer your question, I do not think those pilots had any training for what happened to them whatsoever.

Mr. MEEHAN. Well, what is interesting about 9/11 is, actually, by the time you got to the fourth plane, just by virtue of talking on cell phones people on that plane, they knew what the threat was. They did not have a CIA; they did not have intelligence. They knew because they were talking with the people, and they took the plane down.

And you look at, are we safer? Could it happen today? Well, within a matter of 35 minutes to 55 minutes, the Americans who were on that flight got enough information to make a decision that they should have.

Yet Captain John Ogonowski got up on September 11th—and when I say he was smart, he was tough, he was a Vietnam veteran—he could have been prepared for that. He had no training.

And I hope that we instill that training now.

I want to make another point, that Mr. Weldon, I thought, had some eloquent remarks.

We listened to the Hart-Rudman Commission before this committee and through other committees in the Congress, one of an asymmetric attack against the United States from terrorists. There were all kinds of reports that have gathered all kinds of dust, reports out of this committee and elsewhere.

I was most impressed with the fact that the members of the Commission had said that they are going to commit themselves to getting the Congress to take action, getting the President, the American people behind this report. Because I think you have seen all too often instances where good work is done, like this report, and all it does is end up gathering dust on a shelf somewhere.

So I think you ought to keep it up. I think you ought to bring this campaign all across the country in a bipartisan way, without politics, to make sure that we implement the things that Congressman Weldon talked about and that this report talks about. Because the future safety of this country is so dependent upon it.

So I give you credit for having the courage to stand up and say, we are going to go across America until this has passed.

Mr. KEAN. Congressman, can I just say that when I was asked to take this job, the first thing I did, because I do not come from this town—I did not know as much as any of you, or certainly my tutor and friend here, Lee Hamilton—so I read those reports. I read Hart-Rudman. I read the wonderful report the Lockerbie Commission did. I looked at the report—you know, the first thing we did when we were appointed was to be able to read the report of the joint congressional committees. I read all of those reports.

And the thing that just echoed in my mind was: Why weren't any of these recommendations implemented? Why was nothing done in spite of these good Commissions and these good reports?

And that was very much in my head and I know in the head of Lee Hamilton and the head of a number of other people on the Commission when we took our job, was how to do this job in a way that would engage the American people along the way, would be transparent.

And our best allies from day one were the families. I mean, without them, we probably would not have been created. They were

supportive. They did not always agree with us, and they would tell me over the phone very definitely when they did not. But they worked together with us.

And it is not only the members of the Commission who will be working to get these recommendations implemented. These families agreed to work on it. And that is a wonderful, wonderful force. And I cannot tell you how grateful I am to every one of them.

Mr. MEEHAN. Yes, they have been great.

The CHAIRMAN. All right, thank the gentleman.

Let me exercise some prerogative here. We have folks who have come from a long distance. Our members have shown up and done away with their schedule so they could participate in this hearing.

We are not going to make it time-wise if we have a five-minute shot from a member and then maybe a five-minute comeback from the commission.

Let's try to package the question and response into five minutes. And I apologize to folks that really want to engage extensively, because I know we all do, but let's try to do that so everybody gets an opportunity.

The gentleman from New York, Mr. McHugh. Naturally, it had to start on your watch here, John.

Mr. MCHUGH. Yes, I was going to say, Mr. Chairman, I would have been much more appreciative of that reform after——

[Laughter.]

Mr. MCHUGH.But I appreciate——

The CHAIRMAN. John, your time is up. [Laughter.]

Mr. MCHUGH. Gentlemen, let me add my words of admiration and appreciation to both of you and, of course, the entire Commission for the great work you have done. We are all in your debt. And I say that not just as a committee and a Congress, but as a Nation. And thank you for your continued focus on these very important issues.

Obviously we have a challenge here in this Congress to try to extrapolate the very precise recommendations you have made into legislative proposals and, hopefully, legislative successes.

And I listened very carefully to my former colleague, the Vice Chairman, Mr. Hamilton's comments about there being a total lack of intent to, in any way, compromise the tactical intelligence available to our men and women on the battlefield. And I certainly want to make it clear I never thought for a moment there was any such intent.

But I think there is a real challenge before us to meld your intentions with your practical effects. You have heard the comments of Mr. Saxton and the chairman, that that bright line that you speak about in your testimony—clear line, to quote you precisely—may not exist in terms of defense, tactical versus strategic, intel apparatus.

We have to find a way to do what you have suggested, at least in my opinion, because the stovepiping, the lack of integration of the intelligence information across the broad range is a real problem and needs to be addressed. But in the defense arena, that tactical/strategic difference is not a very clear one.

So I just want to state that for the record.

For my question—and I posed it to your two colleagues, Senator Kerrey and Secretary Lehman, last week when they appeared before the Government Reform Committee—obviously, part of the problem that our intelligence communities were facing collectively was that of being prohibited by law from sharing information on certain aspects. There are those who feel the wall, as it has been called, was overstated, but it certainly existed to a certain real extent.

We tried to address that through the Patriot Act. Senator Kerrey said he probably would have voted against anything that was called the Patriot Act, without having read it. But nevertheless, major portions of that act are going to expire next year; they sunset.

We need to, as well, address that challenge, as it integrates itself into all of these necessary breaking down of the stovepipes and the walls between us.

I am just curious what your personal opinions are, with respect to the provisions of the Patriot Act and the need to ensure that our defense and other intelligence agencies can share information freely.

Mr. KEAN. Well, I will say that my personal opinion is that the shattering of that wall by the Patriot Act was one of the best things that happened, as far as the defense of this country. That wall was a real hindrance to the kind of sharing that we all know now has to be done if we are going to help to prevent another 9/11.

The Patriot Act is so extensive and there are so many provisions—you know, I know you are all going to go over every one of them—but that particular provision is the one that stands out to me as the one that, as far as our study of 9/11, was the most helpful.

Mr. HAMILTON. Everyone we encountered supported tearing down the wall between law enforcement and intelligence. And the Patriot Act's great contribution I think was just that.

We do not pretend to be experts on the Patriot Act. We think a number of the criticisms made against the Patriot Act really have very little to do with the Patriot Act. And we certainly recognize the need to bring law enforcement, if you will, into the digital age. And I think the Patriot Act did that, as well, but we did not try to make a line-by-line analysis of the Patriot Act.

But we think its contribution, with regard to tearing down the wall of separation, was very significant.

I want to say on this question of tactical intelligence and national intelligence, it is a difficult one, and we certainly want to work with you. This is the committee that has expertise in that area.

As I understand it, you now have three appropriation bills that deal with intelligence. One is the Nathional Foreign Intelligence Program (NFIP), and the second is tactical intelligence and related activities (TIARA)—I do not know what all these acronyms stand for, but you would know—that is basically tactical intelligence, and the other is Joint Military Intelligence Program (JMIP).

I think the line that I am speaking about here, the bright line on the budgets, is fairly clear with regard to the NFIP. That is na-

tional intelligence and strategic intelligence. And that, we believe, belongs with the National Intelligence Director and the National Counterterrorism Center.

With regard to the tactical, TIARA, that is clearly DOD.

Now where you run into some murky areas is in this third appropriation, JMIP appropriation.

And quite frankly, what would have to happen there is you would have to go through that appropriation almost line by line to see what goes over here to DOD and what goes over here to the National Intelligence Director.

We did not try to do that. But I think that is the kind of analysis that would be needed.

That is a little more detailed than we got into.

Mr. McHugh. Thank you both very much for your observations.

The Chairman. I thank the gentleman.

The gentleman from Texas is recognized for five minutes.

Mr. Reyes. Thank you, Mr. Chairman.

And, gentlemen, thank you so very much for the benefit of your insight on these very important matters.

I also want to thank you for standing with the families, because as we all know, it was through their efforts that the Commission was created, and in a larger sense, also through their efforts and yours that we are having these hearings during our recess period at this point in our history.

And I also want to thank you for being a loud voice and saying that the status quo is not acceptable, that we must have change and that we can do better, because that is a clear message that we have been hearing consistently from everyone of the members of your commission.

And you are certainly right in focusing on Congress and the issue of whether we are safer today.

I was struck by your comments, Mr. Chairman, in terms of having read the previous reports and citing that as an example of some of the recommendations that you have made.

But more than that, the difference between your commission and the previous commission, I think—and I have only been in Congress eight years—but having had the benefit of reading those reports, serving on both the Intelligence Committee and the Armed Services Committee, the difference with your commission is that you are committed to making us do something about the recommendations.

And I applaud you very much for that and the commitment that each one of you, obviously in a very bipartisan manner, have taken a pledge to have us do better, to have us do the changes that are necessary.

I also wanted to praise my good friend and colleague, Mr. Weldon. Because as you focus, appropriately, on Congress and the role of oversight, we are frustrated in that we do not have a lot of say in the agenda. We do not have a lot of sway in some of the oversight issues that a lot of us are very supportive of doing more in certain of the cases that we have responsibility in. And we have not been as diligent as we would want to be.

But when you have a chairman of one of our powerful subcommittees cite the fact that we have, even in instances when we

have brought forward some of these issues like the national collaborative center and others that he cited, and still we get stonewalled and stiff-armed, it is very frustrating for individual Members of Congress.

This morning in The New York Times—and this is the question that I have—there is a lead story that says that new leaders are emerging for Al Qaida.

And in that context, having had the benefit of all of the work that you have done, of all the research that has gone into it and a great job by you and your staff in this commission—and earlier today I told you that this is proof positive that a lot of good things can come about in a bipartisan manner—can you react to this story and give us your opinion, both of you, gentlemen, if you would, about the new leaders that are emerging for Al Qaida?

Because, in a sense, they may be much more committed and much more dangerous than anything we have faced up until now.

And thank you, again.

And, Mr. Chairman, thank you for the time.

Mr. KEAN. Yes, there is no question that that is happening. And we covered that a bit in our report.

What has happened to Al Qaida is it was once central command and control. It was no question. And we detail in the report about bin Laden, about the arguments he had on occasion with Khalid Sheikh Mohammed. And he made the final decision. And under his command, 9/11 was carried out.

Right now, we do not believe that bin Laden has effective command and control because he is in hiding. And if he communicates too directly, we are going to hear him. We are going to find him. And so we do not believe that command and control system is operating the way it used to.

What has happened to Al Qaida is it has morphed into a number of organizations that are somewhat loosely affiliated under the banner maybe of Al Qaida, but they are decentralized. And they are working by and large on their own to do various plots, trying to hurt us in every way they can.

And in some ways, you are right, a decentralized organization is tougher to deal with than one that has a direct command and control. So I think we are aware of that. This is intelligence we have had now for some time. We talk about this in our report.

And our intelligence agencies have got to be more alert, if anything, to this new threat, and the fact that Al Qaida is not one organization anymore, it is a whole number of organizations—again, loosely affiliated—that we must fight.

Mr. HAMILTON. I look upon it as a very ominous development—predictable, ominous, the emerging leaders.

The CHAIRMAN. I thank the gentleman from Maryland, Mr. Bartlett.

Mr. BARTLETT. Thank you both very much for a very thoughtful analysis of the recommendations.

You mentioned a number of clues that we missed. Two terrorists we lost in Bangkok, and I wonder how many other potential terrorists we lost track of overseas. They may number in the hundreds.

You mentioned that we did not note that some of these people were taking pilot training. We have a large number of foreign stu-

dents who are studying biology. Any one of them could become a bioterrorist. A large number of them are studying chemistry; they could be developing chemical weapons, with that knowledge they gain. A large number of them, and these number in the thousands in each of these, who are studying physics, and they could be building weapons, directed energy weapons.

You mentioned that we missed some false statements on a couple of visa applications. I suspect there are just thousands and thousands of people who are in this country because of false statements on their visa application.

You mentioned the no-fly list, that we missed some people on that. This list could be very, very large.

You mentioned that we had not hardened the aircraft doors. I might note that neither have we done very much to secure our water supplies in this country, which are very vulnerable.

We have done essentially nothing to harden our electronics, which are very vulnerable to directed energy weapons or to a nuclear electromagnetic pulse (EMP) attack.

Containers still enter our country with only a tiny percentage of them inspected. And the trucks coming across the Mexican border, the same can be said of that.

The point I am trying to make is that the threat out there is absolutely enormous. A terrorist looking at us must feel a little bit like a mosquito at a nudist convention, just so many attractive opportunities out there.

Your focus on reorganization is good, but the point I would like to make is that will not make us secure. And if that is what we do and ignore the other things that we ought to do, then we will not have served our people well.

We need to be focusing on what we can do to make ourselves less vulnerable, not this enormous focus on what we can do to catch some people who would like to exploit this vulnerability. I am very concerned that we not create a false security.

I would like also a little attention directed to reducing the threat. Why do they hate us? Everybody in the world envies us. One person in 22 that has 25 percent of all the good things in the world—of course they envy us.

But much of the world, that envy turns to emulation. They want to see what can they do so they can be like us and live as well as we do. This part of the world, they hate us. I would like to know why. And maybe we can do something about this.

If we had the organization suggested, I am not sure that we would have prevented 9/11, because there would have been many, many competing opportunities to connect the dots, but which dots should they have connected?

I think that there is just an enormous amount of information out there that it is going to be frightfully difficult to know which dots to connect, even if we have this fusion center.

And I would just like more emphasis on making our system less vulnerable so we are less attractive.

Would you comment?

Mr. KEAN. I cannot disagree, Congressman, at all. I think you are absolutely right.

If we do nothing except create the head quarterback, in a sense, in a counterterrorism center, that is a help. That will make us safer, but not safe.

We have a whole range of recommendations here, in any number of areas, hitting a number of the points you mentioned just now, and we believe in them all.

Some of them have gotten very little attention—very little attention.

I mean, for instance, we make a recommendation that the most vulnerable time in this country is among transitions between presidents, because it takes so long now for the appointment and confirmation process to take place, that some of these people who are top aides in this area, protecting our safety, if they do not get appointed and the president does not have these people to work with, it makes us very vulnerable as a country.

We make recommendations about building safety. I mean, when people went down in the World Trade Center, they had never been in the stairways before, and the stairwell went like this, they did not know it and they ran into walls.

And if there had been national standards for those—I mean, there are a whole series of recommendations here. Some of them have gotten a lot of publicity, such as the intelligence ones. Others have been little noticed.

But there are a lot of recommendations here we believe as a whole will make our citizens a lot safer. And while we are talking today mainly about intelligence, we would love to talk about any of the others you want, because I think they go to answer a number of your questions.

Mr. HAMILTON. I think I would only add, one of the things that has impressed me frequently is how much of the defense of the homeland depends upon the individual alertness of the American citizen.

A classic example is one the chairman gave a moment ago. I do not think anybody is going to sit down on an airplane and let somebody light a match and put it to his shoe. That is just not going to happen.

But let's take your example about a guy studying chemistry or physics or learning to fly an airplane. The associates of that person, fellow students, faculty members, have an obligation here to inquire why these people are seeking certain kinds of knowledge, for example, building explosives.

And we just have to depend on this as a kind of first line of defense on Americans who are alert to the possibility of terrorist activity among us.

Now, second, you asked: What dots do you connect? And that is an excellent question. The way intelligence comes to us with regard to threats is not that we find out that a certain person is going to fly an airplane into the World Trade Towers at 9 o'clock in the morning on 9/11.

Intelligence just does not work that way. You get bits and pieces of information all over. You learn a little bit about these fellows in Bangkok. You learn a little more about them in San Diego. You learn a little bit about this fellow up in Minneapolis who is going to flight school.

And you have to pool this information. And someone has to sit there and put his feet up on the desk and look out the window and think about it and what the connections are and whether or not those connections have serious implications to them.

And if they think they do, then they have to take charge and manage the case. And that is what has been missing in our connecting of the dots. Nobody has brought it together, pooled it and thought about it and then said: Okay, this is my responsibility. I am going to manage this case and follow it up.

And I think that is what is really missing here. You are exactly right to stress the importance of connecting the dots and which dots make all of the difference.

We collect this vast amount of information in the United States government; 99.999 percent of it is useless. It is of no value to us. But it is picking out the gems and putting it all together that is the huge challenge of intelligence.

The CHAIRMAN. I thank the gentleman.

The gentleman from Washington, Mr. Smith.

Mr. SMITH. Thank you, Mr. Chairman.

I just have about one area of questioning.

I certainly want to thank both of you and the entire panel for doing an outstanding job under, you know, highly difficult circumstances. You put out a great report. And you are to be commended for the work that you did.

And I want to focus on the National Intelligence Director and the typical criticism which we have heard a little bit here today.

And, you know, whenever you have a bureaucratic situation, we understand there is stovepiping. There are too many people out there. So the solution is we need to create an agency to oversee all of it.

And in essence at the end of the day, you have created another stovepipe, because bureaucracies are tenacious. And they are not going to let go of what they have just because you came in and said, you know, these guys are in charge of you now. You just sort of spread the whole process out.

Now, the way you set this up, I think there is potential to avoid that problem and actually have somebody in charge. But the question I have is, it strikes me that if you are going to create the National Intelligence Director, you have got to give him the authority that both of you mentioned: budget authority, hiring and firing authority.

You know, then there is nothing the bureaucracy can do, because this new guy is in charge. I think that is one of the weaknesses in the Homeland Security Department.

It is doing some good things, don't get me wrong. But it took a while for us to figure out exactly what, you know, Mr. Ridge's authority was. Who did he have authority over? What was shifted? What was moved? It was not as clear.

I was not going to mention this directly, but the President's recommendation is to, in essence, create the National Intelligence Director, but, as I see it, not give him that authority, not give him that budget authority. And the question is, isn't that worse?

I mean, wouldn't you be better off not doing it, if you are simply going to create another position and in essence create another

stovepipe without that ironclad authority to say "I run your budget, I run your people, you must give the information to me"?

If we create a situation, we have that other person out there, but they do not have that authority—and the President's recommendations are certainly in somewhat rough draft form.

But as I initially look at it, that would be my concern, that he would sort of make the worst of both worlds here, and I am wondering if you could comment on the importance of that aspect of it.

Mr. HAMILTON. We believe the National Intelligence Director must have power. And power comes from the budget. And power comes from personnel. And power comes from being able to set common standards across the Intelligence Community. Power comes from controlling the information technology of the Intelligence Community.

And if he does not have that power, then we do not think it is going to be very effective.

Mr. KEAN. To answer directly, we would not recommend its creation without power.

Mr. SMITH. Thank you, Mr. Chairman.

The CHAIRMAN. I thank the gentleman from Nevada, Mr. Gibbons.

Mr. GIBBONS. Thank you very much, Mr. Chairman.

And to each——

The CHAIRMAN. Oh, excuse me, Mr. Gibbons, you are almost up, but I have an announcement I had better make.

And that is this: that we want to make sure everybody gets a chance at a question, we are going to ask—and I know the panel has to stop at a 3:30 hard-stop—we are going to go to 3:30, instead of to 3, and we are going to push the other panel, the succeeding panel, off.

But before we do that, I understand that there are a couple of calls that have to be made, and we are going to take a fast—we will take a five-minute break with the Commission.

And I will tell you what, Mr. Gibbons, since you have started that question, gentlemen, if you can entertain Mr. Gibbons's question, then we will take that five-minute break.

Mr. GIBBONS. I like that, Mr. Chairman, and I will try to be swift, as well.

And I want to thank you gentlemen for the hard work that you and your commission has done. I think you have changed the audience for a lot of the recommendations that have been going on over the last many years about our intelligence agencies from just being Congress to the American people. And I think that is a great service that you have committed.

I have just one question, and I do want to join with my colleague, Mr. Weldon, in his assessment of what happens here in Congress.

Mr. Hamilton, I think you are right on the money, when you said it was an outrageous proposal to put budget and authorization authority in a single committee.

Because what I have looked at and watched over the last eight years has been an agency which comes to the authorization committee, House Permanent Select Committee on Intelligence, where we drill down and deal with these issues year after year and make recommendations, only to find that the agency bureaucracy goes

behind, goes to the appropriation committee and gets them to appropriate those changes that they want, regardless of what the authorizing committee wants, as well.

So I think what you have suggested may be a very controversial issue, but one which may have a great deal of merit. And I certainly think we ought to entertain at least consideration of something like that.

My question is, on the proposal that you have made, in your commission report, with regard to separating out the NFIP from the JMIP and TIARA—now, NFIP, National Foreign Intelligence Program; that is Title 50; and the TIARA or JMIP, Joint Military Intelligence Program and the Tactical Intelligence and Related Activities, that is Title 10—those programs' spending.

NFIP would remain under the National Intelligence Director under your plan, while the JMIP and TIARA portions of the budget would remain under the Secretary of Defense.

My question: Placing NFIP under the National Intelligence Director, JMIP, TIARA remaining under the Secretary of Defense, how can the National Intelligence Director coordinate and collaborate intelligence efforts with budget authority under two different bosses? Who has control?

Mr. HAMILTON. First of all, Mr. Gibbons, thank you very much with regard to the comments about the oversight.

Second, I think I said that NFIP would be under the National Intelligence Director; TIARA, clearly under the DOD. And I just was not sure about JMIP because I think you have to go through that line by line and make a judgment, and we did not do that as a commission. So I think that is an area that needs to be worked out.

Now, with regard to coordination, I think that because the National Intelligence Director will in effect oversee—well, he will have three deputies: One will deal with homeland security or domestic intelligence; one will deal with defense intelligence; and the third, foreign intelligence.

And the DOD will have the person who heads up the Defense intelligence. That is where you will get the coordination, in the NCTC.

Mr. GIBBONS. Just to follow up, Title X does incorporate both the JMIP and the TIARA portions of the budget in Title X.

Mr. HAMILTON. As it exists today, that is correct. And what you have today is three appropriation bills. We are recommending two on the appropriating side.

Mr. GIBBONS. Mr. Chairman, I realize the shortness of our time. And I will yield back the balance of my time.

The CHAIRMAN. Well, I thank the gentleman.

And, folks, let's take a short break, a five-minute break or so. And we thank our guests for bearing with us.

[Recess.]

The CHAIRMAN. Okay, folks, we will resume.

The gentlelady from San Diego, Ms. Davis, is recognized.

If the gentlelady from San Diego will excuse the chair, the gentlelady from California, Ms. Sanchez.

Ms. SANCHEZ. I thought for a minute you were playing hometown favorites, Mr. Chairman. [Laughter.]

The CHAIRMAN. Well, you caught me. [Laughter.]

Ms. SANCHEZ. Well, she is a nice lady, so I do not mind.

Thank you to both of the commissioners who are before us. I want to tell you that this is one of the best reports that I have read. It is a very good read, an easy read. And I would recommend it, in fact, to every American to read this report. I think it was that good.

In fact, I had a little bit of trouble reading it because, as I was reading it over the weekend with a lot of family members around, every time I put it down, one of them would pick it up and then they would start getting into it and they would not give it back.

It is just amazing; the work you have done is just amazing. I commend all of the commissioners and all of your staff, of course.

I have a line of questions that I want to ask you that are different, I think, than most of the Members on this committee, and part of it stems from the fact that I am probably one of the few Congress Members who have lived in the Middle East.

And your report emphasizes the need to promote progressive ideals of liberty and opportunity throughout the Middle East in order to counter what are really incredibly negative views, in particular from Muslims, to those of us in the United States.

Your report specifically states that we should offer an example of moral leadership in the world committed to treat people humanely, abide by the rule of law, and be generous and caring to our neighbors.

Based on the information you have gathered and received, how do you think that the invasion of Iraq has played in furthering this goal?

And what have you seen in your time as you were going around and asking everybody what we are doing to ensure that a potential recruitment for Al Qaida, while this war that we have gotten ourselves into is really not creating a stronger Al Qaida against us?

Mr. KEAN. Iraq is well outside our mandate. We did not get into Iraq except as it was related at all to Al Qaida before 9/11.

What we did say in the report and what we do believe is that our policy toward the Middle East has got to be different than it is today and that we are not just looking at it from a point of view of the United States being a great military power. But if we do not want, for instance, Muslim children to go to these schools, which many of them teach hate, then there has to be an alternative.

Many of them go to those schools because there are not any other schools they could go to, and they are too poor to afford anything else. All right, then we have to do everything we can to help those nations develop a system of schools which gives those people an opportunity for a decent education.

We think we have got to supply, as a matter of American policy, many more exchanges, whether they are cultural exchanges, educational exchanges, where we get to know them better, they get to know us better. We have got to present a different face.

We believe we have to have a consistent message. We are not quite sure what our message is now to the people of the Middle East and to Muslim nations. That message has to be refined; it has to be consistent, and we have to do everything we can as a country

using, again, all our vast resources to get that message across as to who we are and what we really want.

Because I have seen those same polls as you have, or same information, in the Middle East. And when you take a nation who has gotten second only to Israel in foreign aid and Egypt, and find out that most nobody supports the U.S. or is friendly toward us in polling of that country's citizens, we are doing something wrong.

And I think we have got to address, therefore, the whole, broad issue of American policy and promote the kind of ideals and a kind face that we mention in the report: who we are, who we really are, not who they think we are.

And only then, we think, by changing policy in that direction, will we stop creating converts to Al Qaida, or at least stop creating people with sympathy to Al Qaida. That is very, very important.

The war in Iraq was, you know, beyond our mandate, and so we really did not get into it at all.

Mr. HAMILTON. We believe that you have two kinds of problems in dealing with the Muslim world.

One is you have the followers of Osama bin Laden. They probably are hopeless, so far as American foreign policy is concerned. You can only deal with them in very tough steps. It is not likely that we are going to convert Osama bin Laden. He wants to kill us, and our objective is going to have to be to remove him and his followers.

We think that is a very, very small part of Islam. The challenge for American foreign policy is really not so much the Osama bin Laden and his adherents. The challenge for American foreign policy is the great number of Muslims who probably admire Osama bin Laden, who are not, however, violent and do not want to kill us, but who, as you point out in your question, do not hold us in very high regard because they see a number of American policies they do not like.

They think we support repressive governments, for example. They certainly do not agree with us on the Israeli-Palestinian question.

And what we have to do, and this is a very long-term effort, is to try to engage them. And one of the things we noticed is that there is not a good mechanism today for dialogue with the Muslim world.

You have the Arab League and you have some other things. But they do not work very well. And we have to figure out a way to engage these people.

Now, we cannot solve all of the problems of these societies. They go back decades, if not centuries. But I think the important thing is that the United States be true to its own values, that we try to offer an agenda of opportunity for these people, and that we try to give them a better vision for their life.

Why do these people, or some of them, turn to such unbelievably violent tactics? We all know that a very high percentage of the young men cannot get a job. And they have no way of achieving the good life, as you and I would define it, and so they turn to violence. We have to show them that there is an alternative, that our alternative is better than Osama bin Laden's alternative, which leads them to violence and to death.

And we want to present an alternative that leads them to hope and opportunity. And we have to have, therefore, a foreign policy that is cognizant of these problems and tries to present the best face of America.

Now, how do you do that? Well, robust public diplomacy, increased scholarships, increased exchanges, some support for education in the Islamic world, more economic openness and development, some kind of a contact group for international cooperation: All of these things have to be done and are vitally important to winning the war on terror or terrorism.

And that is why we think, because everything I have said is so difficult and so complicated, that it is a generational problem.

Ms. SANCHEZ. Thank you.

Thank you, Mr. Chairman. I see my time is done.

The CHAIRMAN. Thank the gentlelady.

The gentleman from Virginia, Mr. Schrock.

Mr. SCHROCK. Thank you, Mr. Chairman.

And, Governor, Congressman, thank you very much for being here. And I can think of no better reason to return to Washington than to have a discussion and debate on this magnificent report that you have put together.

This is kind of an interesting day for me. This is the first day since I have been on this committee where I have agreed both with Mr. Weldon and Mr. Abercrombie at the same time, which usually does not happen. But this is a rare day. [Laughter.]

Let me comment on something my colleague from Texas, Sylvester Reyes, said that I totally agree with. You know, I think Sylvester Reyes and I probably felt, this card and this pin meant something, meaning we are supposed to hold these agencies accountable for what they do.

And when he says we have been stonewalled, he is not kidding. We really have. And I think that is a sad commentary.

And your report clearly states that we have to get our act together, do a little reorganizing here if we are going to make this thing work. And the reason I think we are paying so much attention to this, and we did not pay attention to the Gilmore report and others, is because 9/11 happened.

As Mr. Weldon said, all of these things were in the Gilmore report, but we did not have two towers down in New York and a damaged Pentagon to get our attention. But I think everybody has got their attention now.

During my two and a half decades in the Navy, and since I have been here, I have had many service secretaries and service chiefs tell me that four years is barely enough time for them to learn the job, because it seems it is a heavy and important responsibility to trust someone who only expects to be in that position for just maybe four years.

I would like to get your thoughts on the idea of the National Intelligence Director who could be in place for maybe a six-or eight-year period.

I support the decision that the President made to create the NID along the lines that you all recommended. And I also support his decision to place that director outside the White House organization for a variety of reasons, the foremost of which is I believe it

should be an independent and powerful office with meaningful budget control and planning capabilities and influence over the entire Intelligence Community, which I feel you can do better outside.

In your minds, is it desirable that the terms of the National Intelligence Director overlap different administrations so as to take advantage of institutional knowledge and experience?

Mr. KEAN. That is a very good question and one we thought about a great deal.

We finally came down on the side of it being at the pleasure of the president, because we felt the president had to have absolute confidence in that man or woman. I mean, that had to be somebody who the president relied on absolutely. And if there was any lack of confidence in any way, whether they were left over from a previous administration or for whatever reason, that it would not work, just would not work that well. He would not be who we wanted him to be.

So for that reason, we came down on the side of it being at the pleasure of the president.

Mr. SCHROCK. So you felt there was no chance of the president, whoever he might be, to manipulate that person and pull strings and maybe get the message out they want?

Mr. KEAN. Well, you worry about that, and it is a good question. But we thought the other danger was worse, in a president not having——

Mr. SCHROCK. Yes.

Mr. KEAN [continuing]. Not having confidence in that person.

My hope is that if you, in your wisdom, decide to support this recommendation, that the concentration both in the press and in the Congress as to who that person will be is going to not end up with the man or woman who is very capable of being manipulated, because it will require confirmation obviously.

Mr. HAMILTON. We believe that there should be a very sharp line—we have been talking about lines here a few times this afternoon—but we believe there should be a very sharp line between the intelligence on the one hand and policy on the other.

Now, none of us here are naive. We understand that these two things get mixed up from time to time, and you cannot draw a wall and say, intelligence is over here and policy is over here. It is just not possible.

But it is important to try to protect, as much as you can, the separation between policy and intelligence.

Now, how do you do it? We believe that the dangers of politicization of intelligence arise from the functions and the relationships that go with the President's intelligence adviser and his contacts with the president, his relationship with the President.

It does not matter, in our view, where that person sits. He can sit in Langley; he can sit in the White House; he can sit in the CIA; he can sit in Indiana. It does not really matter. You want to try to protect against it; how do you do that?

First of all, you have to have an intelligence director who is a person of utter integrity, who sees his job as a professional to give the president the facts as the Intelligence Community understands them; not what the President wants to hear, necessarily, but what are the facts. He is a support officer, not a policy officer.

The second thing is that those of you that are policy-makers have an obligation to ask tough questions of the policy-makers in the executive branch. And therefore, we feel there is no substitute in trying to minimize the politicization of intelligence. There is no substitute for very tough, rigorous congressional oversight.

Mr. SCHROCK. Thank you both.

Thank you, Mr. Chairman.

The CHAIRMAN. I thank the gentleman.

The gentlelady from California, Ms. Tauscher.

Ms. TAUSCHER. Thank you, Mr. Chairman. And I commend you and Ranking Member Skelton for doing this.

I am thrilled to see all of you in August. I had not expected it. But I think this was a very, very worthwhile endeavor, and I appreciate the fact that we are going to have hearings the rest of the day and tomorrow, too.

Governor Kean, and our dear colleague, Lee Hamilton, I cannot tell you how thrilled I am to have the chance to thank you publicly. I have two constituents who have family members who died on Flight 93 in Pennsylvania.

And I just think that your staff has done a phenomenal job. I think both of you having political experience, but taking your medication on time and being out of the political life, you have a scope of knowledge and experience.

Many of your staff are former Hill staffers of great renown and tremendous ability. And they have, I think, worked us through. I wholeheartedly endorse what you are recommending.

My fears are that we cut this short. I think it is vitally important, a lesson learned in the creation of the Department of Homeland Security, which the president at first tried to make Tom Ridge his adviser, was that you cannot have someone in that job go begging.

They cannot be talking to people to try to get, you know, a seat on an airplane or 15 people detailed to them or a ride in a car. They have to have hiring authority. They have to have budget authority.

And you know what I really think? You need to have somebody, God forbid, if anything again happens in the kind of category of September 11th that we fire, not someone who is putting their hands over their chest pointing to seven other people, saying: Well, you know, we were all to blame, but you cannot get rid of seven of us, can you?

We need someone who is ultimately responsible, as we all were, but also culpable. So I think what your recommendations are, are very, very important.

Now, I have two questions.

One, we have to navigate this issue, obviously, of protecting our warfighters. And this committee has a very heightened sensitivity to that. We are clearly interested in understanding how to do that. So we have to have more information and more hearings on that, Mr. Chairman.

Second, we have another intelligence failure that we have very little information on, and that is the Iraq intelligence. And I am all for doing lots of change and reform. But I am not for only get-

ting it half right in a rush to take the window of opportunity that we know we have.

The commission the president has appointed to look at the failures of the Iraq intelligence has not even formed up or hired a staff yet. They are at least a year away.

How do we make sure that what we do, to do right by you, the families of September 11th, in closing the loopholes to prevent another September 11th kind of attack, puts us in the position to complete the reforms necessary to make sure that we do not have another series of intelligence failures like we did in Iraq?

Mr. KEAN. Well, again, we did not get into the Iraq problem, other than the reports we have seen so far, talked about about a failure of group-think. And we believe that our recommendations will go a long way to preventing that kind of thing happening again.

We took the facts we had up until the time we did our report. And every recommendation we have is, in a sense, a lesson learned. If you take any one of our recommendations, we will point something to you that happened in the September 11th story which led us to make that recommendation. So we believe our commendations as a whole are worthy of your consideration.

And we also believe there is a sense of urgency. We really do not believe we can afford to wait. We know what happened with these other reports and these other recommendations. And the longer you wait, the more things fade and the more things disappear.

And nobody wants to have anybody up here a year from now saying: You know, if we had adopted this recommendation or that recommendation maybe this next event would not have happened.

We believe all of our recommendations are designed to do our best to prevent another tragedy.

We are not going to make America totally safe. You cannot do that in this world. But we can make Americans much safer. And we believe these recommendations, particularly taken as a whole, will do that.

And based on, you know, ten people, all of whom served in government for a long time—with the exception of this guy, most of them served in Washington—and, therefore, know something, we believe they should be adopted. And the country will be better off if they are.

Ms. TAUSCHER. Congressman Hamilton.

Mr. HAMILTON. I think the committee has helped us in understanding the importance of the tactical military intelligence. And I think some of our recommendations can be refined. And we certainly want to work with you to do it.

We are protecting not only the warfighter, however. We also want to protect the American people. How do you do it? We think the lesson that comes out of all of this is that you have to have joint analysis from all of these different analysts we have around government. It has to be pooled. It has to come together.

You have to have joint operational planning. You have to have somebody in charge up here. You have all of these tools of American foreign policy to deal with terrorism: diplomacy, military action, covert actions, drying up the funds through the Treasury, law enforcement, prosecution, public diplomacy. And what we do not

have in the government is a place where we figure out how to use all of these in an integrated and balanced way.

And that is what this national counterterrorism center is all about. This center becomes a place where the president turns to for advice on how to conduct counterterrorism policy in this country.

We do not have that today. You can look to the Defense Department and say, "Okay, Mr. Secretary, we want to take military action." You can look to the Secretary of State and say, "We want to do this in regard to Afghanistan." You can look to the Secretary of the Treasury and say, "We have to do this on the money." But it does not all come together.

You have to integrate it, balance it, and that is what is missing here. In order to protect the American people, you have to have joint analysis, you have to have joint planning, you have to have somebody who will manage the case, someone in charge. And that is what we are trying to get at here; that is our principal hope.

Ms. TAUSCHER. Thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank the gentlelady.

The gentleman from Ohio, Mr. Turner.

Mr. TURNER OF OHIO. Thank you, Mr. Chairman.

Governor, in your opening comments, you were talking about a counterterrorism policy effort and its elements. You were talking about the number of recommendations that relate to our efforts with Islamic extremists groups. And one of those elements you identified was homeland defense.

Intelligence gathering efforts are important for us to have information upon which we can act. But intelligence gathering itself will not protect us. Our other systems have to be able to act in responding to that intelligence.

When you look throughout the report, you can look at the preventive function, you can look at the protective defense function, you can look at the emergency first responders, and of course the crime solving, terrorist event solving functions.

And in reading the report, when the Commission relates its interaction with NORAD, page 34 had a significant impression on me as you went through that the elements of where NORAD would state what occurred on that day. And then the statements follow from the Commission of, "This statement was incorrect." And then the next paragraph it says, "This statement was also incorrect." And the next statement from NORAD, and in the following, "These statements were incorrect as well."

And then the Commission goes on to say that, "NORAD officials have maintained that they would have intercepted and shot down United 93, we are not so sure. We are sure that the Nation owes a debt to the passengers of United 93," which is what you described of the American spirit, where the passengers took an effort to take that plane down.

In looking at the recommendations of almost 500 pages of your report, and looking at the failures on the defense side, and once an event is undertaken, we may not have had enough intelligence, always, to stop an event. But once an event is being undertaken, our defense function needs to work; our military function needs to work.

Of the 500 pages, most of the recommendations that we continued to focus on are still on the intelligence gathering, what do we need to know? But the other aspect of what do we need to do in protecting ourselves only has a page of the 500, and in it it reflects that there needs to be additional review and oversight.

I wondered if you could elaborate further on what your thoughts are on our military response capability, what additional things might be needed, in your experience on the Commission in looking at that day, our ability or failure of ability to have military response.

Mr. KEAN. There were so many problems on the day, with what the President told us; he called it the "fog of war." Misinformation was all over the place. The President himself, he told us, had misinformation coming to us about the nature of the attack, what was being attacked. At one point he was told there was a plane headed for Camp David. At another time he was told Air Force One was going to be under attack. All this misinformation.

And then he told us of the failure of communications aboard Air Force One, where he was not able to communicate properly, the commander in chief, which was appalling to us and, I am sure, to you.

He says that has been fixed, that the communications aboard Air Force One now would not have the same problems.

As far as the Air Defense Command, they are now, they told us again, they said they have fixed the various problems. They told us that they can now react within minutes of a potential attack.

Now, again, the governor of Kentucky gives us pause. Because if that is true, then how did he almost get shot down in that circumstance? We were assured that those particular problems that we identified on 9/11 could not occur again, both because of the placing of the planes, the fact that we are not vectored out to sea anymore, we have now got people to protect the homeland, and that they believe that—now there are problems, I do not think they are fixed yet.

Transponder is one of them. You know they turned off the transponder on the airplane, they became invisible to the radar to try and find them. Somebody turns off a transponder, there is still a problem. They have not got the transponder fixed so that you cannot turn it off. It is probably something they should do.

So every problem is not fixed. But they assured us that the kind of problems that we identified on that particular day have now been fixed.

Lee.

Mr. HAMILTON. Well, the way I reacted to your question is that I think you have to look at the capabilities of every department of government and how they have improved since 9/11. And I think there have been a lot of improvements.

Prior to 9/11, the CIA really did not have, at least from our point of view, a very impressive capacity to conduct paramilitary operations. I think they are better today. I think they can be even more improved if we do what we recommend and create the paramilitary covert actions in the Defense Department.

If you look at the Defense Department prior to 9/11, the fact of the matter is they just simply were not very fully engaged on ter-

rorism in this country at that point in time. And now I think that has shifted dramatically with the Northern Command and where they are concerned.

If you look at the FBI prior to 9/11, they simply did not have the capability to link the collective knowledge of their agents in the filed to their own national priorities at the time.

There have been dramatic changes in the FBI. We think they are headed in the right direction. We think they have a long way to go. We do not make extensive recommendations with regard to the FBI. We do not support new domestic intelligence agencies.

If you look at the FAA capabilities, they clearly were weak, prior to 9/11. They have improved, too. But it is hard for us to judge how effective the steps taken have in fact been made.

If you ask any of these agencies that I have talked about and many others, what they have done since 9/11, they will come back, and they will give you a list of 15 or 20 things. And I do not have any doubt at all about their good intent. They are really trying.

The question is: Are those steps sufficient? And would they work? Or are they just on paper? And that is hard to judge. It is a very difficult assessment to make. But capabilities really need to be strengthened across the board.

The other big thing that we think is really lacking is management. No one, and I have made this point before, really takes charge and sees all aspects of the problems, collects all of the intelligence, and says, "Okay, I am in charge here. This is the way we are going to deal with this case. And these are the steps we need to take, operationally speaking, to deal with this."

The national counterterrorism center that we recommend is not a policy-making body. That is up to the president and it is up to the NSC. They are not an executing body. The departments execute.

What they do do is analyze the intelligence and plan the operation. You meld together the intelligence from across the government, foreign and domestic, and you put together operational plans.

And it is at that point that we are, frankly, copying the military—the J–2, J–3 concept. We think that same kind of a concept where you meld the intelligence with the planning, operational planning, that has to be done in one place, we believe, as it is in the military.

The CHAIRMAN. Thank the gentleman.

The gentleman from Texas, Mr. Turner.

Mr. TURNER OF TEXAS. Thank you, Mr. Chairman.

Governor Kean, Mr. Hamilton, thank you so much for being with us and for your leadership in this very important task.

As both of you know from previous times that we have visited, one of the great concerns I have is that this Congress and the American people will not comprehend the comprehensive nature of what you have laid out. Because I know from your comments when you say every element, every recommendation is important and every one of those recommendations should be acted upon in order to succeed in overcoming the threat of international terrorism, I know you mean it.

And I know that when you look at the scope of the recommendations, there has been a lot of, you know, interest in the last few weeks on the intelligence reform. Got a lot of news coverage. And today we are talking about a few other issues pertaining to the military.

But I went through your 41 recommendations, and I count five that touch upon military. I count seven that touch upon intelligence. I count 21 that deal with homeland security and closing some of those security gaps that we know still remain. I find ten that deal with your global strategy to prevent the rise of future terrorists, which I think is a critical element of this effort.

You have one stand-alone that deals with transition, Presidential transition. And I am very hopeful that as we move forward that we can continue to join with you in talking about the importance of every one of these 41 recommendations, because we have a historic opportunity here: a bipartisan group unanimously recommended that we adopt these recommendations to make America safe.

And our terrorist enemies are not waiting, and we cannot wait either. And I am convinced that it is very important for all of us to understand the scope of what you have done. And as each of you has pointed out, it is important in overcoming the terrorist threat to use all of the tools in our arsenal; not just the military, the diplomatic, the intelligence, the covert action, the law enforcement, economic policy, foreign assistance for things like educational improvement and economic partnerships in the Muslim world and homeland security.

And it really calls for the kind of change that I think this country went through in the Cold War. And I have not done this, but I am going to. I am going to go back and look at the size of the Federal budget at the beginning of the years of the Cold War and I am going to see how much investment we made in all those armaments and missiles to make this country safe.

And having done that, to make a comparison to the investments of the day: You know, we have an $800 billion discretionary budget that we will vote on and 13 appropriations bills. We have increased defense spending this year, as compared to the year prior to 9/11, by $100 billion.

We have increased Homeland Security spending, not only within the Homeland Security Department, but generally the FBI strengthening, those things, we have increased that spending by $20 billion this year, as compared to the year immediately prior to 9/11.

Now out of an $800 billion budget, $20 billion, though it is a lot of money, is not a large portion of that $800 billion budget. And I think what you are calling up on this Congress to do is to re-order our priorities in terms of the way we manage and run our government. And we are not in the best position to do it.

I mean, the truth of the matter is, of that $800 billion budget, this year alone the deficit is larger than half of that, over $400 billion, so we do not have a lot of cushion to fall back on. So it is going to require some hard choices, tough decisions.

And I would invite you to comment on that because I know in your effort you have tried to lay out a strategy. You have laid out 41 recommendations. But both of you come out of the political

world and you know that it is going to require a lot of commitment. It is going to require a great deal of thinking out of the box to change the government that takes that $800 billion every year to run. It is going to take some changes in where we allocate those dollars to accomplish the objectives that you have laid out for us.

And I would welcome your comments on that.

Mr. KEAN. Congressman, I cannot disagree with anything you said. In fact, I agree with it wholeheartedly. This is an enemy of whose nature we have never confronted before in this country. I mean, we, historically—well, in the history of the world, we have always been dealing with nation states back to the earliest times. We know how to deal with those.

And these are not nation states. These are what are described as entrepreneurs—I mean, in a sense. They are doing things totally differently in ways that we did not anticipate. And they got ahead of us; 19 out of 19 people penetrated every single one of our defenses.

We had a story which goes back all the way to World Trade Center I. I mean, we now know that these people were involved in every thing from Black Hawk Down through eight or nine different things—the embassies and the people who were captured in Jordan and the attempt to shoot down ten planes in the Philippines—all these things.

In the middle of it, they stand up and say, "It is the duty of every Muslim to kill every American, whether they be a civilian or military." And we know they have the capability to do it. Nobody put all that together. Nobody came before this committee and said that to you.

This is something starting—and these people hate us and have the capability to do us and they have already killed an X-number of Americans over 10 to 12 different incidents, and they have tried to involve the L.A. airport and a lot of other things. Because if they had, you would have acted differently.

We have now, through this tragedy, been forced to put it all together. And we believe we have to think anew. And we have to act anew, as a government and as a people to confront something that is totally new in the enemy we face.

What we are recommending, with one exception, is not going to be tremendously expensive in the budget. The exception will be how there is a new means for identifying people when they travel and come into this country. That is going to be expensive.

If you want to implement that, it is going to cost some money. We think you ought to implement that, because I think it is one of our best defenses. But that is going to cost a lot of money.

The rest of these recommendations are not cost-free, but not very costly in terms of the Federal budget.

But we think this is something brand new that we are confronting as an enemy. And if we do not do new things to confront that enemy, if we do not get ahead of them instead of letting them stay ahead of us, then we are going to have future tragedies. I think there is no questions about that.

Mr. HAMILTON. Mr. Turner, I appreciate very much your observations about comprehensive nature of the recommendations. The

governor and I often say that we think our recommendations must be dealt with as a package.

I do not think we mean by that that you have to accept every line that we have written. We understand that our proposals can be refined and sharpened and improved.

But what we do mean is that if you think you are solving the problem by moving a few organizational boxes around, as we have recommended, that is not going to do the job.

If you think you are going to solve the problem of counterterrorism by increasing certain military capabilities or law enforcement capabilities, that is not going to do the job, either.

You have to look at this thing comprehensively, or you are not going to get it done. And comprehensively means all of these areas of government that you identified in your questions. That is what we mean by a package.

And one of the things that concerns us is that this town gets fixated on structural change. And maybe we have been fixated on it a little too much, because we have talked about it a lot.

But structural change, while we think it is important, and we think it will reduce the risk of injury and death to Americans is not in itself going to solve this problem. You cannot organize yourself out of this problem. You have to deal with it and all of its aspects. It is a transnational threat. It goes across a great variety of U.S. governments.

And those of us who have our thinking arising out of the Cold War—and that is certainly true in my case—this proposal we are putting forward is not easy for you because we are recommending a whole different way of dealing with a national threat.

The Cold War served us very well. We had a Department of Defense over here. We had a Department of State over here. We had a Department of Treasury over there. And we were organized properly.

We are not organized properly today for this kind of a threat. And that is why we are trying to get at it.

The second thing I want to say about your comment is, with regard to priorities. You all understand that the most difficult task in government is setting priorities.

You have limited resources. Where do you put the resources? And the great problem that we confront in counterterrorism, as with many, many other problems is, we want to do it all. And we do not have the resources to do it all.

So, for example, in homeland security, you have to make some judgments. What are the primary threats? I can list ten threats, maybe more, from terrorism.

And my instinct is, well, we have to prepare ourselves against all of them. We cannot. We do not have the money to do it.

I can list thousands of terrorists that I think targets might like to hit. Every one of you know your communities and your district better than anybody else. And you can identify in your communities the targets that a terrorist would want to go after.

We would like to protect them all. You have to make priorities. And it is a very difficult thing for you to do and for government to do: set priorities.

If you ask me what is the number one threat from terrorists, I do not have any difficulty answering that question at all. The nightmare is a nuclear weapon in the hands of a terrorist. That is my number one threat.

If you think we suffered a lot of casualties on 9/11, it is nothing to the casualties you would have in this town or in New York or any place else in the country with a nuclear weapon going off. I would put that at the top, if it were me, alone.

Now, you get into all kinds of disagreements with regard to what I think—as to what the threats and the targets are that ought to be protected. But I think the government has to begin to make those decisions.

The CHAIRMAN. Thank the gentleman.

The gentleman from Minnesota, Mr. Kline.

Mr. KLINE. Thank you, Mr. Chairman.

And thank you, gentlemen, for being here today, for your wonderful testimony, and a really terrific report.

There is so much here. And I have enjoyed the discussion today. And I was, frankly, very heartened in the exchange that we have had about the discussion of intelligence for the warfighter, tactical intelligence, strategic intelligence.

I think it is very important that those of us on this committee understand how that is going to work and make certain that we are not damaging that intelligence.

Because, as we have discussed, sometimes the company commander in the field is getting his intelligence from what we think of as strategic or national assets. I am eager to work with my colleagues and you on that.

My time is limited so I want to try to understand something.

We talked about boxes in organization here. And as both of you know, that is how government and how we think here. We have wiring diagrams, and organizational boxes, and it is very important who reports to who.

And you have talked a great deal about unity of effort, and I agree that that is something we absolutely need. But there is another principle, unity of command, that I am a little bit unclear about here.

One of your recommendations would be that one of the national incentivized director's deputies be the Defense Department's undersecretary for intelligence. I am sort of interested who he really works for, or who she really works for. Who is writing the report; who is responsible for firing them, for promotions and that sort of thing? Unfortunately, that is how we think around here, how would that work out? Who is the real boss there? Who is in charge?

Mr. KEAN. He would work for the Secretary of Defense, with the appointment made with the concurrence of the National Director of Intelligence. We understand the importance of an arrangement that says both the intelligence needs of both the military and the national policy.

We believe the proposal, we think, is going to achieve that purpose. It is three deputies. A deputy for military intelligence is one of them.

Mr. HAMILTON. We do not remove the Secretary of Defense from direct, immediate control over the intelligence assets that are nec-

essary for the warfighter. That stays exactly as it is today, and must stay the way it is today.

Now, as I suggested a moment ago, I think the questions that are being asked here are helpful to us and cause me to think that we need to refine some of our thinking in this very important area, and we will try to do that. In many ways, you are the experts on it. We are not.

Mr. KLINE. I just think that it is—knowing how people work, if two bosses call a meeting at the same time, which one you go to is sort of a—I understand I am getting into the weeds, but nevertheless it is important in understanding who really is in charge. And I was struck, Governor, when you were talking about the DCI. You said he got it and was declaring war on terrorism, and yet he could not get other agencies to respond.

And you said something I found very interesting. He could not even get everybody in the CIA to respond. And it is very clear that there was power there—to use Mr. Hamilton's words—and yet he still could not get it done.

So I applaud the work. I am looking forward to working with you and my colleagues on these recommendations. But you have put forward something that is very hard. And we are dealing with entrenched bureaucracies here, that Mr. Weldon mentioned earlier. And it is important that we be clear, at least in my judgment, that we be clear on how this organization is going to be structured so that there is no doubt about sort of who is in charge.

Mr. HAMILTON. Absolutely.

Mr. KLINE. Thank you, Mr. Chairman.

Mr. HAMILTON. These organizational problems are difficult. Double-hatting is not an unusual phenomenon in the government. And you are right, it sometimes makes ambiguous the line of command here.

And the intelligence assistant secretary in the Defense Department would be double-hatted in a sense. But he is working principally for the DOD secretary.

Mr. KLINE. Thank you very much.

And thank you, Mr. Chairman.

The CHAIRMAN. I thank the gentleman.

And Mr. Hill, the gentleman from Indiana, will be recognized next.

But let me say that we understand we have a hard stop at 3:30. Our guests have accommodated us by staying with us for some 3.5 hours now. And I know all our Members have come back from important engagements and appointments and business in their districts to attend this very important hearing.

What I can offer to our members who have not had a chance to ask the panel questions is this: As we go into the second panel, which is the Department of Defense panel that will be here after a ten-minute recess, is that we will take up—and I conferred with Mr. Skelton—we will take up with the membership who are pending their questions right now. They will take up the next line of questioning. So Ms. Miller will be next after Mr. Hill.

My apologies to members that have not had a chance to ask our witnesses questions. What I would like to ask of Mr. Hamilton and Governor Kean is if you would accommodate us at a future time,

we would like to have an opportunity for all the membership to have a chance to talk with you.

And we understand that what we are talking about is not something that lends itself to quick answers. And so, the depth of your answers I think has been very appreciated by the members. Nonetheless, it has run out of time. So we greatly appreciate you staying with us as long as you have.

So, Mr. Hill will be the last questioner for this panel, and then we will continue down the line with the next panel that comes in.

Mr. HAMILTON. And we are available, Mr. Chairman, in the future.

The CHAIRMAN. Thank you very much. We will work with you and we will get a time. And we will start again when we take up again with our two witnesses, we will start with the folks that did not get a question before.

Mr. Hill.

Mr. HILL. Thank you, Mr. Chairman.

And, Mr. Chairman, my colleagues on the committee may or may not know that I had the arduous task of following Lee Hamilton in the Congress of the United States. I am still trying to get out of his shadow in the 9th District in Indiana. It is like following Abraham Lincoln. [Laughter.]

But I have a great deal of respect for my friend and colleague, Mr. Hamilton, and, Governor, you, as well. Thank you for your service to the country.

In the report, the chapter on global strategy, the commission says, and I quote, "our efforts should be accompanied by a preventive strategy that is as much or more political as it is military. The strategy must focus clearly on the Arab and Muslim world in all its variety," unquote.

Now, you do not say much more than that. If you could give us some more details about when it would be appropriate for a military preemptive strike, please?

Mr. HAMILTON. Well, the quick answer, Mr. Hill, would be when a threat is imminent to the United States. I know there has been an enormous amount of talk about preemptive military strikes. And I think that President Bush has articulated that more robustly, perhaps, than other presidents have done.

But I have never had any doubts that a president—and I have worked with nine of them, or maybe eight; eight or nine of them—would, if he believed that the United States was imminently under a threat—and the word imminent is the operative word—would use military force in order to protect the American people.

In other words, with all of the debate we have had about this business of preemptive action, preventive war and so forth, I really do not see all that much change in American policy.

Every president I have known would use military force to prevent an attack on American citizens if he thought the threat was imminent. I think that is the policy today, and I think it has been the policy for a long time.

Now, you get into huge quarrels, of course, as to what constitutes imminent threat. And judgments vary, and that is where intelligence becomes really crucial. But the statement of the Commission that we have to prepared to act, to prevent, not just in the

military sense, but in a diplomatic sense, as well, is why we recommend that Afghanistan and Pakistan have to be secure and stable in order to try to prevent a sanctuary being developed in those countries.

So preventive policy means both military and diplomatic.

Mr. KEAN. We had a terribly tough decision to make—both presidents, President Clinton and President Bush—going to Afghanistan. Bin Laden was there. Al Qaida was gathering strength. They had already attacked and killed Americans in various parts of the world. And we tried through diplomacy for any number of years to negotiate with the Taliban.

Now, as it turned out, the Taliban cared more about preserving bin Laden than preserving themselves as a government.

But we negotiated over and over and over. We tried to get the Saudis. And they did try to help with those negotiations. We tried to work through Pakistan, which has some interests, because it liked the Taliban better than it liked some other governments that had been there in the past.

And then we finally had to make some decisions. And the decisions were whether we would use military options, either through covert action, or troops on the ground, or a cruise missile trying to land on bin Laden.

And we detail in the report all the worries the two presidents went through as to when and if to use that force against, which was a nation state, Afghanistan, and when it was justified. And they made the determination, those administrations, that they did not have what they call actionable intelligence to go after simply bin Laden, and that they did not have the means or the ability to go after a nation state, Afghanistan.

Now, whether that decision should have been different is something we can look at with hindsight. But they did make that decision. And it was a very difficult one, I think, for both administrations.

Mr. HILL. Thank you, Mr. Chairman. I see that my red light is on.

The CHAIRMAN. I thank the gentleman.

And, gentlemen, thank you for being with us today.

And one of the great assets of our country is leaders like yourselves who devote yourselves to the public interests when there are lots of things that would be more enjoyable and more convenient and less time-consuming.

The Nation, I am sure, is very grateful for your leadership, as well as that of all of the commission members. We appreciate you very much. And we want to continue to work with you.

And so thank you for being with us today. And thanks for the time you have devoted to us.

Mr. KEAN. Thank you, Mr. Chairman.

Mr. HAMILTON. Thank you, Mr. Chairman.

The CHAIRMAN. This hearing is adjourned. And we will take up the next one in ten minutes.

[Whereupon, at 3:45 p.m., the committee was adjourned.]

APPENDIX

August 10, 2004

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

AUGUST 10, 2004

Statement of Chairman Duncan Hunter
Committee on Armed Services

Hearing on Final Report of the National Commission on Terrorist Attacks upon the United States

August 10, 2004

The committee meets today to consider the findings and recommendations of the 9/11 Commission. This will be first of four hearings the committee has scheduled over the course of the next two days to examine these important issues.

Our distinguished witnesses are:

The Honorable Thomas H. Kean (cane),
Chairman
National Commission on Terrorist Attacks upon the United States

The Honorable Lee H. Hamilton
Vice Chairman

On July 22, the 9/11 Commission reported its comprehensive findings to the American public. It's an excellent account of how we were attacked on September 11th and a fine

analysis of what the nation might have done better to deal with terrorism over the preceding decade. Let me express my gratitude and that of my colleagues to Chairman Kean and Vice Chairman Hamilton for the tremendous effort they and their fellow commissioners put into this project.

In recent weeks, Washington's professional talking heads and the national media have focused on the report's recommended changes to the government structure, in part because that's a simple, winners-vs-losers story that is easy to follow. That's unfortunate, because the commission looked at September 11th much more thoroughly than the public debate has acknowledged. Its recommendations were much more comprehensive than simply rearranging the deck chairs on the ship of state.

Gentlemen, for the sake of better understanding the context of your work, I hope we will get into some of those other recommendations as well. For example, the commission

recommended attacking terrorists and their sanctuaries, noting that it's harder for terrorists to plan and carry out their attacks if they're constantly on the run. I agree with that, but how should we deal with states that harbor terrorists or turn a blind eye to terrorist operations from their soil, but that may not have attacked us on the scale of 9/11? The commission has some specific suggestions in the cases of Afghanistan, Pakistan, and Saudi Arabia, but I'd like to hear how its broad recommendation applies to states like Iran, which supports terrorism and where diplomacy has failed to deter it from its pursuit of nuclear capabilities.

The commission also recommended creating a long-term strategy to win the war of ideas. How do we do that? Is it enough to ensure that Iraq becomes an example of a successful Arab democracy, or must we also increase the pressure on states that actively export extremism? Should Radio Sawa broadcast American pop culture into the Middle East, or is it more appropriate to focus on factual news reporting and political

commentary? Ultimately, the answers to those questions will have more to do with winning the war on terror than deciding whether or not the National Intelligence Director is a term employee inside or outside the Executive Office of the President.

This doesn't mean that we can or should downplay the commission's organizational recommendations. The report proposes to break a lot of rice bowls, which can sometimes be a productive activity in Washington. More importantly, it helps us focus on long-standing problems in the intelligence community and possible solutions.

The President's support for the creation of the National Counter-Terrorism Center and a National Intelligence Director I believe will eventually lead to improved cooperation and coordination among different agencies. But, we also may want to require senior intelligence officials to rotate through other agencies as a precondition for promotion in their home agency.

Alternatively, we might rebuild the educational path for intelligence professionals. Both steps did more to break down stovepipes and promote "jointness" in the military than simply re-wiring organizational charts. Goldwater-Nichols succeeded by incentivizing cross-service cooperation and promoting the unity of command, not by adding layers of decision-makers or making the chain of command more convoluted.

The point is that there are multiple dimensions to the problem that are worthy of further consideration and I look forward to working with the President, my colleagues in the House, and the Senate as we sort through these ideas and move out on a proactive agenda.

Let me turn now to my friend and ranking member, Ike Skelton of Missouri, for any remarks he would care to make.

We are indeed honored to have such distinguished witnesses before us. Without objection, your prepared statements will be entered into the record. Governor Kean, please proceed.

Opening Statement for The Honorable Ike Skelton (D-MO), Full Committee Hearing on Full Committee Hearing on Final Report of the National Commission on Terrorist Attacks Upon the United States August 10, 2004

Thank you, Mr. Chairman. I join you in welcoming Chairman Kean and Vice-Chairman Hamilton. Gentlemen, we commend you and your colleagues for your service for the nation and for the bipartisan product you are here to discuss today. It is my hope that Congress will debate these recommendations and consider any legislation that may come from them in the same bipartisan spirit.

The President and this Congress created the 9/11 Commission to investigate an extraordinary national

tragedy. The Commission had an enormous and solemn task—to look at how it came to pass that we were unprepared for the events of September 11th, 2001, and to recommend actions so that this does not happen again. The protection of American lives is the most sacred obligation of our government. It is one that we on the Armed Services Committee take very seriously as we provide for those who daily risk their lives in service to their country.

It is partly for this reason that we must consider the Commission's recommendations so carefully. They are thoughtful, comprehensive proposals worthy of serious consideration. And what they make clear more than anything is that our system needs change.

We must consider these recommendations carefully but assertively to make sure that the important work of this Commission is not lost.

At the same time we must recognize that, the Commission's mandate—while broad—did not cover all of the national security challenges this country will face in the coming decades. We must ensure that the Commission's recommendations, particularly those that involve restructuring much of the intelligence community, make sense for dealing with all of our national security challenges, not just catastrophic terrorism, and do not have unintended detrimental consequences. That is what the series of hearings we will hold will explore.

The centerpieces of the Commission's recommendations are the proposals to create a National Intelligence Director and a National Counter Terrorism Center. These proposals have the potential to significantly affect the Department of Defense. About 80 percent of the nation's intelligence capability currently resides in the Department of Defense and much of the budget for intelligence programs passes through Defense agencies. Most critically, however, our men and women on the battlefield rely on the same intelligence systems—from satellites, to communications intercepts, to human operatives—as support our national intelligence priorities. And this capability has saved lives and has undergirded several

military campaign successes. My interpretation of the causes of 9/11 does not lay blame on this 80 percent of the defense agencies. Instead, the products of the defense agencies have served this nation well. Our challenge is to ensure that any decision to restructure the intelligence community explicitly considers the priorities of the Defense Department in supporting the warfighter on the battlefield.

More broadly, the Commission advocates a comprehensive global strategy for dealing with terrorism. This is the right approach, and one that highlights how the administration has yet to lay out a strategy that uses all the elements of our national power effectively. To take just one example, I support

strongly your recommendation that we make a long-term commitment to Afghanistan. I think that we have lost sight of what must be done there and are failing to act aggressively enough against the narcotics boom that is fueling both terrorist financing and instability. Unless we devise a comprehensive strategy that deals with all of these issues and commits a sufficient number of troops for the long-term, we risk Afghanistan again becoming a viper's nest of terrorism.

Chairman Kean, Vice-Chairman Hamilton, I look forward to your testimony and thank you and all your colleagues for your service. Thank you, Mr. Chairman.

Statement of Congressman Mike D. Rogers
House Armed Services Committee
August 10, 2004

Mr. Chairman, thank you for calling the Committee together for these important hearings.

First, I would like the commend Chairman Kean and Vice Chairman Hamilton, and indeed the entire Commission and their staff, for their hard work and dedication. The Commission thoroughly investigated the terrorist attacks of September 11, 2001 and produced a document worthy of not only Congressional consideration but of reading by every American concerned for our future. I also commend President Bush for acting quickly to continue the debate over ways to reform and strengthen our nation's intelligence capabilities.

The Commission's report highlights several areas across the federal government that needs improvement. Importantly, the Commission recommends several solutions that encompass "a broad political-military strategy" based on three interrelated components:

- Attack terrorists and their organizations;
- Prevent the continued growth of Islamist terrorism; and
- Protect against and prepare for terrorist attacks.

To accomplish these goals, the commission recommends that the United States build "a unity of effort on the challenge of counterterrorism itself." Under ideal circumstances, this could result in the unification of the intelligence community and a strengthened FBI and Department of Homeland Security.

At first glance, I believe many of these recommendations make sense. I am, however, most concerned we use these hearings to fully debate these reforms in Congress, and before the American public, so we have a solid understanding of what these changes could mean for our national security.

As you know, the Department of Defense is affected by these recommendations and our Committee will play an important role in the efforts to implement these recommendations. Our Committee, as always, puts our brave men and women in uniform first, and it is important to note they are already serving our nation in Operations Enduring Freedom and Iraqi Freedom. They depend on timely, actionable intelligence to accomplish the mission, and I am very concerned with ensuring these changes will give our troops the maximum intelligence support in the field.

Finally, Congress has the duty and responsibility to develop these recommendations and possibly others into legislation. This will be a priority for Congress this fall. Our Committee under Chairman Hunter's leadership will take the lead on addressing the role of the Department of Defense, and I am confident that we will act in unison and in our national interest. I look forward to this challenge.

Thank you.

Statement of Congressman Michael Turner
House Armed Services Committee
August 10, 2004

Mr Chairman:

As Members of Congress, it is often our task to read, skim, peruse, and otherwise digest reports that are necessary to the operation of government, but less than riveting. Since July 22, however, my colleagues and I have been examining the final report of the National Commission on Terrorist Attacks upon the United States. It is one of the most compelling documents that I have ever read.

Americans who read the report find themselves again confronted with the feelings of horror that possessed us all on that terrible September day almost three years ago. The opening pages of the report make the pulse race as the memories come flooding back, memories of unimaginable sights and sounds, and of gut-wrenching sorrow, and rage. Those emotions evolve into shock and disbelief as the report details the inability of decision makers in crucial federal agencies to obtain vital information, and to communicate with one another. Americans went to sleep the evening of September 10 in a nation utterly unprepared to respond to the attack that was hours away from unfolding. Indeed, the catastrophe could have been even worse were it not for the brave actions of the passengers of United Airlines Flight 93, and future catastrophes will surely be much, much worse if the federal government fails to adapt to the new threats of this new century. The 9/11 Commission report is a historic document that will provide tremendously useful guidance to America's elected representatives as they consider what steps need to be taken to restructure our intelligence apparatus.

Interestingly, one of the themes that emerges from the report's narrative of the events of September 11 comports very neatly with one of the reforms that will be necessary if America is going to be able to more effectively conduct the war on terror and address its institutional vulnerabilities. On that day, the system failed, and America was overcome by darkness, but people in New York, Washington, and high in the skies of rural Pennsylvania succeeded in shining light through the dust and smoke. Those heroes were not given the means to turn back the terror that was unleashed upon them, and that was our nation's failing, but they used the short time they were granted to make a difference. The fruits of their sacrifice are that loved ones we were supposed to lose still walk among us, and the very symbols of American democracy, the Capitol and the White House, still stand, untouched.

As we move to reorder our intelligence institutions, how important it is that we remind ourselves that it is ultimately the brave actions of real live people, individuals, in the field, on the front lines, where the action is, that make the most difference. On 9/11, it was firefighters, police, and passengers – our last line of defense. In the coming years, we will need people freed of bureaucratic shackles that keep them from communicating with other agencies, we will need people at command centers that have access to all of the important information that the entire intelligence apparatus has been able to accumulate, but most importantly, we will need people gathering intelligence not by satellite, but in person, in far away places, speaking other languages and infiltrating organizations over years and years time. We will need people on the inside. Because there is no wall high enough any more, there is no ocean wide enough, for us to keep our enemies at bay. We can succeed and they can fail a thousand times, but if they prevail

only once, we have lost. We simply cannot hope to stop every single person in the world who would do us harm from setting off a bomb or engaging in some other nefarious scheme. We need to know, therefore, what they are doing before they do it. We need to know what their plans are before they embark towards America. We need more information from the inside of terrorist organizations like al Qaeda, and the only way we are going to get it is if we bolster our human intelligence. While the Commission's recommendations for a more centralized intelligence service has gained publicity in recent weeks, it strikes me as being even more important that we get our people, our spies, into the command structure of violent Islamic fundamentalist organizations in the Middle East. Our failure here is even more damning than the institutional failures covered by the 9/11 report. We need more information coming from clandestine operatives abroad. While restructuring of the intelligence bureaucracy will be necessary, it will not be nearly enough. Spies in the field are our first line of defense, and if their work is done well, we will not have to hope that bureaucrats connect the dots, or that everyday people turn into heroes.

As important as intelligence is, it is ultimately military might that defeats enemies and wins wars. Thus it was disturbing to have the military's complete failure to react decisively to an attack upon American soil recounted in the 9/11 report. Firstly, the military was not appropriately apprised of the unfolding situation by other agencies, most importantly the FAA. NORAD, the entity charged with defending North American airspace, was impotent as jetliners being used as missiles marauded across the skies. These were not stealth fighters slipping through our defenses in the dark of night, these were large commercial aircraft that should not have conceivably been a match for the U.S. Armed Forces. Were it not for the desperate last acts of a group of ordinary citizens high above the fields of western Pennsylvania, United Flight 93 might well have flown into the United States Capitol, or the White House, an hour and a half after American Flight 11 hit the World Trade center. The 9/11 Commission reaches this stunning conclusion despite claims to the contrary by NORAD. NORAD claims that it would have destroyed United 93 before it reached downtown Washington. The Commission is uncertain. An hour and a half after being attacked, the most powerful country in the history of the world was not entirely prepared to shoot down a large, lumbering, commercial airliner headed towards its capital city at sub-mach speeds. How can this be? This situation must be remedied. The military must be able to defend America. At 9:05 AM, Andy Card told the President of the United States, "America is under attack." The Commission estimates that United 93 would have arrived in downtown Washington between 10:13 and 10:23, over an hour later, and may still have been able to carry out its deadly work. Astounding.

Changes need to be made, and time is a luxury we have not bee afforded. None of us knows exactly how much time we have, and this is why my colleagues on the House Armed Services Committee and I have assembled during the August recess, to begin immediate consideration of the 9/11 Commission Report's recommendations. I look forward to a healthy, productive debate.

Michael Turner
Member of Congress

Prepared Statement of
Chairman Thomas Kean and Vice Chairman Lee Hamilton
of the National Commission on Terrorist Attacks Upon the United States
before the House Armed Services Committee
August 10, 2004

The 9/11 Commission's Findings and Recommendations

Chairman Hunter, Ranking Member Skelton, distinguished members of the House Armed Services Committee. We are honored to appear before you today. We want to thank you and the leadership of the House of Representatives for the prompt consideration you are giving to the recommendations of the Commission. We are grateful to you, and to the leadership of the House.

The Commission's findings and recommendations were strongly endorsed by all Commissioners—five Democrats and five Republicans. We share a unity of purpose. We call upon Congress and the Administration to display the same spirit of bipartisanship as we collectively seek to make our country and all Americans safer and more secure.

The Need for Institutional Change

Terrorism is the number one threat today to the national security of the United States. Counterterrorism policy must be the number one priority for this President, and for any President, for the foreseeable future.

We cannot succeed against terrorism by Islamist extremist groups unless we use all the elements of national power: military power, diplomacy, intelligence, covert action, law enforcement, economic policy, foreign aid, public diplomacy, and homeland defense. If we favor one tool while neglecting others, we leave ourselves vulnerable and weaken our national effort. This is not just our view: it is the view of all policymakers.

-- Secretary Rumsfeld testified and told us: He can't get it done with the military alone. For every terrorist we kill or capture, more rise up to take their places. He told us the cost-benefit ratio is against us.

-- Cofer Black told us: You can't get it done with the CIA alone.

What became clear to us is that the institutions of the United States government are still geared to cold-war threats, great power threats. Our government – still today – is not geared to deal with the threat from transnational Islamist terrorism. We need a unified effort across the government. That is why we advocate change.

The National Intelligence Director

As part of the 9/11 story, we spent a very considerable time looking at the performance of the Intelligence Community. We identified at least six major problems confronting the Intelligence Community that became apparent in 9/11 and still continue today.

First, there are major structural barriers to the performance of joint intelligence work. National intelligence is still organized around the collection disciplines of the home agencies, not the joint mission. The importance of integrated, all-source analysis cannot be overstated. Without it, it is not possible to "connect the dots."

Second, there is a lack of common standards and practices across the foreign-domestic divide for the collection, processing, reporting, analyzing, and sharing of intelligence.

Third, there is divided management of national intelligence capabilities, between the Director of Central Intelligence and the Defense Department.

Fourth, the Director of Central Intelligence has a weak capacity to set priorities and move funds and other resources;

Fifth, the Director of Central Intelligence now has at least three jobs – running the CIA, running the Intelligence Community, and serving as the President's Chief Intelligence Adviser. No one person can perform all three.

Finally, the Intelligence Community is too complex, and too secret. Its 15 agencies are governed by arcane rules. All of its money and most of its work are shielded from public scrutiny.

We come to the recommendation of a National Intelligence Director not because we want to create some new "czar" or new layer of bureaucracy to sit atop the existing bureaucracy. We come to this recommendation because we see it as the only way to effect what we believe is necessary: a complete transformation of the way the Intelligence Community does business.

We believe that the Intelligence Community needs join analysis, joint collection and joint management of intelligence operations. The model here is the Goldwater-Nichols reforms. The collection agencies should have the same mission as the Armed Services do: they should organize, train and equip their personnel. Those intelligence professionals, in turn, should be assigned to unified joint commands, or in the language of the Intelligence Community, "National Intelligence Centers." A national intelligence center on WMD and proliferation, for example, would bring together the imagery, signals, and HUMINT specialists, both collectors and analysts, who would work together jointly on behalf of the mission. All the resources of the community would be brought to bear on the key intelligence issues as identified by the National Intelligence Director.

We believe you cannot get the necessary transformation of the Intelligence Community--smashing the stovepipes and creating joint centers--unless you have a National Intelligence Director.

The National Intelligence Director needs authority over all intelligence community elements, including authority over personnel, information technology and security. Appropriations for intelligence should come to him, and he should have the authority to reprogram funds within and between intelligence agencies.

The National Intelligence Director would create, and then oversee the joint work done by the intelligence centers. He should have a small staff—about the size of the current Community Management Staff.

He would not be like other "czars" who get the title but have no meaningful authority. The National Intelligence Director would have real authority. He will control National Intelligence Program purse strings. He will have hire and fire authority over agency heads in the Intelligence Community. He will control the IT. He will have real "troops," as the National Counterterrorism Center and all the National Intelligence Centers would report to him.

We concluded that the Intelligence Community just isn't going to get its job done unless somebody is in charge. That is just not the case now, and we paid the price: information wasn't shared, agencies didn't work together. We have to–and can–do better as a government.

To underscore again, we support a National Intelligence Director not for the purpose of naming another Chief to sit on top of all the other Chiefs. We support the creation of this position because it is the only way to catalyze transformation in the Intelligence Community, and manage a transformed Community afterward.

The National Counterterrorism Center

Our report details many unexploited opportunities to disrupt the 9/11 plot: failures to watchlist, failures to share information, failure to connect the dots. The story of Hazmi and Mihdhar in Kuala Lumpur in January 2000 is a telling example. We caught a glimpse of the future hijackers, but we lost their trail in Bangkok. Domestic officials were not informed until August, 2001 that Hazmi and Mihdhar had entered the United States. Late leads were pursued, but time ran out.

In this and in other examples, we find that no one was firmly in charge of managing the case. No one was able to draw relevant intelligence from anywhere within the government, assign responsibilities across the agencies (foreign or domestic), track progress and quickly bring obstacles up to a level where they could be resolved. No one was the quarterback. No one was calling the play. No one was assigning roles so that government agencies could execute as a team.

We believe the solution to this problem rests with the creation of a new institution, the National Counterterrorism Center. We believe, as Secretary Rumsfeld told us, that each of the agencies need to "give up some of their existing turf and authority in exchange for a stronger, faster, more efficient government wide joint effort." We therefore propose a civilian-led unified joint command for counterterrorism. It would combine intelligence (what the military calls the J-2 function) with operational planning (what the military calls the J-3 function) in one agency, keeping overall policy direction where it belongs, in the hands of the President and the National Security Council.

Again, we consciously and deliberately draw on the military model, the Goldwater-Nichols model. We can and should learn from the successful reforms in the military two decades ago. We want all the government agencies which play a role in counterterrorism to work together in a unified command. We want them to work together as one team, in one fight against transnational terrorism.

The National Counterterrorism Center would build on the existing Terrorist Threat Integration Center, and replace it and other terrorism "fusion centers" within the government with one, unified center.

The NCTC would have tasking authority on counterterrorism for all collection and analysis across the government, across the foreign-domestic divide. It would be in charge of warning.

The NCTC would coordinate anti-terrorist operations across the government, but individual agencies would execute operations within their competences.

The NCTC's chief would have control over the personnel assigned to the Center, and must have the right to concur in the choices of personnel to lead the operating entities of the departments and agencies focused on counterterrorism, specifically the top counterterrorism officials at the CIA, FBI, Defense and State Departments. The NCTC chief would report to the National Intelligence Director.

We appreciate that this is a new and difficult idea for those of us schooled in government of the 20th century. We won the Second World War and the Cold War because of the great departments of government – the State Department, the Defense Department, the CIA, the FBI – organized against clear nation-state adversaries. Today, we face a transnational threat. It respects no boundaries, and makes no distinction between foreign and domestic. The enemy is resourceful, flexible and disciplined. We need a system of management that is as flexible and resourceful as is the enemy, a system that can bring all the resources of government to bear on the problem – and that can change and respond as the threat changes. We need a model of government that meets the needs of the 21st century. We believe the National Counterterrorist Center meets that test.

Unity of Effort in Sharing Information

What we learned in the 9/11 story is that the U.S. government has access to a vast amount of information. But the government has weak systems for processing and using the information it possesses, especially across agency lines. Agencies live by the "need to know" rule and refuse to share. Each agency has its own computer system and its own security practices, outgrowths of the Cold War. In the 9/11 story we came to understand the huge costs of failing to share information across agency boundaries. Yet, in the current practices of government, security practices encourage overclassification.

We understand the critical importance of protecting sources and methods. We believe it is also important to share information. There are plenty of penalties for unauthorized disclosure; there are no punishments for *not* sharing information.

We believe that information procedures across the government need to be changed, to provide incentives for sharing.

We believe that information procedures across the government need to be changed, to provide incentives for sharing.

We believe the president needs to lead a government-wide effort to bring the major national security institutions into the information revolution. The president needs to lead the way and coordinate the resolution of the legal, policy and technical issues across agency lines so that information can be shared.

The model is a decentralized network. Agencies would still have their own databases, but those databases would be searchable across agency lines. In this system, secrets are protected through the design of the network that controls access to the data, not access to the network.

The point here is that no single agency can do this alone. One agency can modernize its stovepipe, but cannot design a system to replace it. Only presidential leadership can develop the necessary government-wide concepts and standards.

Response to Criticism of the Commission's Recommendations

Recently, this Committee and other committees of the Congress have heard testimony from many distinguished public servants and academics. Some witnesses have been critical of our call for the creation of a National Intelligence Director. One theme has been that an overall chief will stifle healthy dissent and competitive analysis. We disagree:

- No one should be satisfied with the status quo. No one can claim that the current structure fosters competitive analysis. Look at the groupthink on Iraq.

- The current system encourages groupthink because national analyses are, in most

cases, produced by one group of analysts, at the CIA. There is no truly national intelligence center. I don't think I have to tell this distinguished panel how many times DIA's views – or other analytic perspectives – have gotten squeezed out. We deserve better than having DIA, INR and other important perspectives on national issues reduced to footnotes. If you like groupthink, keep the status quo.

- We believe our proposal will both strengthen analysis and enhance competitive analysis. Our proposal creates genuine national centers under the National Intelligence Director, not under the head of the CIA or organized by the CIA. DIA, NSA, and other analysts would sit right in the middle of the process. Their views would have to be reckoned into the core intelligence products. Their views would not be shunted to the periphery.

- Arguments about competitive analysis sound a lot like arguments against organizing a Joint Chiefs of Staff in the 1940s and Goldwater-Nichols in the 1980s. That argument was something like "healthy competition between the services serves the nation."

  -- Who wants to turn back the clock today? Our military is more capable, more efficient, and more effective because of joint commands. Because of joint commands, our military performs far better today. So, too, will the intelligence community through joint mission centers. You can't have joint mission centers if you don't have a National Intelligence Director in charge that has the ability to create them.

- Not all analysis would fall under the new Director. State, Treasury, Energy and the Army, Navy, Air Force and Marine Corps intelligence units would still report to their Cabinet Secretaries and Service Chiefs. They would be independent and able to access all the same data as the national intelligence centers operating under the NID.

- A focus on open source information and the development of a new office or agency to collect and analyze solely open source information would also add to the competition of ideas on tough national security issues

- To keep the bright line between policy and intelligence, there is no substitute for the integrity of the person selected for the job, no substitute for probing questions by policymakers, and no substitute for rigorous Congressional oversight.

Another worry voiced about this reform is that it would remove from the Secretary of Defense direct and immediate control over national intelligence assets that are critical to our warfighters. This is, of course, a legitimate concern.

- This is precisely why we believe one of the National Intelligence Director's deputies must be the Defense Department's Undersecretary for Intelligence. It is precisely his job to balance the great – but not limitless – intelligence resources of

the United States to satisfy the needs of the warfighter and the national policymaker.

- The intelligence community, as you know, has made considerable progress since the 1991 Gulf War in meeting the needs of the warfighter. Now it is time to harness this same dedication and effort so that the National Intelligence Director can better meet the needs of the national policymaker – and also provide for the needs of the military. It is unimaginable to us that the National Intelligence Director would not give protection of our forces deployed in the field a high priority.

- Let's be clear here: The warfighter must have tactical intelligence support. Our report takes no issue with tactical support. In fact, we believe a clear line needs to be drawn: all tactical intelligence programs should remain with the military.

Another question raised is with respect to the National Counterterrorism Center: does it interfere with the chain of command for military operations?

- The answer is no. The NCTC would not break the military chain of command.

- The NCTC would be like the J-3 for Operations in the Joint Staff. The J-3 is not part of the formal chain of command between the President, the Secretary of Defense, and the combatant commanders – but everyone agrees that joint operations planning is essential.

- The NCTC would develop joint plans for terrorism operations with military officers directly involved in that planning.

- If the Secretary of Defense didn't like the plan, the plan would change. Or, the head of the NCTC would have to bump this issue up to the National Security Council and the President for resolution.

Some have taken issue with our proposal that the National Intelligence Director and the National Counterterrorism Center be part of the Executive Office of the President.

- Our intent with this recommendation is to make the NID and the NCTC powerful forces in the government.

- We believe that the agencies will work together effectively on terrorism – our most important national security question -- only if they are working directly for, and directly under, the President. As a check and balance on this power, we believe both positions must be confirmed, and we believe there must be very strong Congressional oversight.

- We do not want to get too fixated on the location of boxes. The authorities are more important than the boxes. But if these new positions are not in the

Executive Office of the President, where do they go? We certainly do not believe they should be in the Defense Department or the CIA. It would be a mistake to subsume intelligence and operations planning within these organizations.

Recommendations Specific to the Defense Department

Mr. Chairman, as you know, we have made many recommendations. We want to mention some that touch directly on the Department of Defense.

First, no terrorist sanctuaries:

- We agree with the President, and the Secretary of Defense, that we need to locate al Qaeda operatives, kill or capture them, and destroy their organization.

- What we would add here is that there are potential terrorist sanctuaries over a good piece of the globe. It is not just the Pakistan-Afghanistan border region. It is the Arabian Peninsula, the Horn of Africa. Southeast Asia, West Africa, and even some European cities with expatriate Muslim communities.

- Sometimes exactly the right policy tool will be a Predator with a Hellfire missile. But we also need to draw on the many other tools in our policy arsenal.

- Those tools include building strong diplomatic ties with countries threatened by al Qaeda penetration, building trust and cooperation. Those tools include military, intelligence and law enforcement training. They include targeted foreign assistance programs –drilling wells, building schools. They include creating educational and economic opportunity.

- We must not overdraw on our military forces. They are already stretched thin.

Second, we believe that lead responsibility for directing and executing paramilitary operations, whether clandestine or covert, should shift to the Defense Department.

- We believe there should be consolidated capabilities for the training, direction and execution of such operations. Those capabilities are already being developed in the Special Operations Command.

- In any operation where weapons greater than side arms are contemplated, we need military professionals in charge. Those professionals are at the Special Operations Command.

- As a government, we should organize, train, and equip one paramilitary capability – not two. Many CIA paramilitary operatives are former military and former Special Forces anyway. We need unity of effort within the government.

Third, we believe the Defense Department and its oversight Committees should regularly assess the adequacy of Northern Command's strategies and planning to defend the United States against military threats to the homeland.

- We have been assured that NORAD has now embraced the full mission of homeland defense.

- We believe this Committee and the Defense Department need to monitor the development of Northern Command carefully.

- In particular, we continue to be struck by the importance of training and exercises. There needs to be a better understanding of standard operating procedures for the military, the FAA and other civilian counterparts. We were just minutes away from shooting down the Governor of Kentucky over Washington. We need to do better.

Closing Comments

Mr. Chairman, we believe reforms in the Executive branch, reforms in the Congress, as well as the many recommendations we did not present this morning -- on foreign policy, public diplomacy, border and transportation security, and national preparedness – can make a significant difference in making America safer and more secure.

We believe that reforms of executive branch structures, in the absence of implementing the other reforms and recommendations in our report, will have significantly less value than the value of these reforms as a complete package. In short, while we welcome each step toward implementation of our recommendations, no one should be mistaken in believing that solving structural problems in the executive branch addresses completely, or even satisfactorily, the current terrorist threat we face.

We are gratified by the rapid response of the White House to our recommendations. We welcome the President's support for a National Intelligence Director, and a National Counterterrorism Center. We welcome the support of Senator Kerry.

We look forward to working with you on our recommendations.

We should seize this historic opportunity and move expeditiously. With your counsel and direction, we believe that the nation can, and will, make wise choices.

We would be pleased to respond to your questions.

QUESTIONS AND ANSWERS SUBMITTED FOR THE RECORD

AUGUST 10, 2004

QUESTIONS SUBMITTED BY MR. MEEHAN

Mr. MEEHAN. Number 4 on your list of recommendations for strengthening the Global War on Terrorism relates to Saudi Arabia. The commission urges the United States government to build a relationship with Saudi Arabia that is stronger than a dependency on oil and that includes a shared commitment to political and economic reform.

From your analysis of the September 11th attacks, do you consider Saudi Arabia an ally? What progress has Saudi Arabia made in adopting reforms since September 11th? How can we work with the Saudi government to urge them to eliminate the teaching of Islamic extremism in schools?

Messrs. KEAN and HAMILTON. During our investigation of the 9/11 attacks we had many interchanges with Saudi diplomats in the United States, and our staff traveled to Saudi Arabia and met with numerous Saudi officials. Our investigation revealed that before 9/11 Saudi support against terrorism with episodic. On the diplomatic front, a senior Saudi official met with the Taliban on several occasions to attempt to gain that regime's commitment to expelling Bin Laden from Afghanistan or turning him over to authorities. Those efforts, which we believe were conducted sincerely, bore no fruit. We found no evidence that the Saudi government funded al Qaeda, but certainly funds from radical mosques and private Saudi extremists went to al Qaeda. The Saudi government took no meaningful action to stop such funding. All U.S. intelligence, diplomatic, and NSC officials told us that the Saudi government was dramatically affected by the al Qaeda terrorist attacks in Riyadh in May 2003. Since then, the Saudis have understood they have a serious problem in the kingdom. They have, according to American officials, become more cooperative. The United States government must continue to emphasize to Saudi officials that preaching intolerance, jihad, and hatred from Saudi mosques and in Saudi schools is unacceptable. The Saudis have made some progress but much remains to be done. The U.S. government must monitor this very closely.

Mr. MEEHAN. Your report recommends developing a common coalition approach toward the detention and humane treatment of captured terrorists. You specifically cite article 3 of the Geneva Conventions as a good starting point for drawing up universal principles on the law of armed conflict.

Unfortunately, there are cases in which our own government does not support following the Geneva Conventions, such as enemy combatants held at Guantanamo Bay. How do we go about building consensus within the international community for a common definition of prisoner of war and what constitutes war crimes?

Messrs. KEAN and HAMILTON. We did not address this issue beyond the portion of the final report that the question refers to. We also proposed creating a "contact group" of key allies dedicated to the fight against terrorism. That might provide a useful forum for agreeing on common approaches to the issue of treatment of captured terrorists.

Mr. MEEHAN. Your report documents that al Qaeda has been attempting to develop weapons of mass destruction for at least ten years and you recommend that the United States focus more on nonproliferation efforts. I couldn't agree more. Nothing poses a greater threat to our national security than a weapon of mass destruction in the hands of a terrorist.

I'm very concerned by reports in the press that the administration is attempting to water down a new nonproliferation treaty, the so-called Fissile Material Cutoff Treaty, by removing all requirements for verification and inspection. The treaty would ban countries from producing highly enriched uranium or plutonium for nuclear weapons, but without a verification and inspection mechanism, it simply has no teeth. How can we reduce the threat of weapons of mass destruction, as you propose, if we abandon our past position of "Trust, but verify?"

Messrs. KEAN and HAMILTON. There is no question that the threat of weapons of mass destruction in the hands of terrorists is the gravest danger our country faces. Our view is that we must do everything possible to ensure that such weapons ever come into the possession of terrorists. We have not taken a position on particular treaties. We believe that the Cooperative Threat Reduction program to ensure that

nuclear stockpiles and fissile materials are secured and inaccessible to terrorists should be reinforced and be given increased funding.

QUESTIONS SUBMITTED BY MS. SANCHEZ

Ms. SANCHEZ. I am worried that we are not doing enough to strengthen, and in some instances, repair, our relationships with countries around the globe—the U.S. cannot possibly defeat terrorism on its own. In your report, you recommend the formation of a flexible "contact group" of leading coalition governments. Can you elaborate on this a bit more? How do you foresee this contact group functioning, and what would its relationship to other multinational groups like NATO be?

Messrs. KEAN and HAMILTON. The precise nature of this group would be up to the administration and key allies in the fight against terrorism. In general, we envisioned something on the order of the Balkans contact group during the Bosnia and Kosovo conflicts, a group of nations joined together in this case to design and implement common strategies to defeat terrorism. Relationships of trust formed in such groups can be critical to achieving common goals. Such a contact group of nations would work out its own relationships with NATO and other regional defense alliances.

Ms. SANCHEZ. The architects of the invasion of Iraq and the removal of Saddam Hussein purported that our efforts would ultimately foster the spread of democratic ideals throughout the Middle East. In your opinion, is there any prospect that this can still be realized? What kind of outlook do you have for the next few years? What is the best possible outcome for Iraq? With respect to Saudi Arabia, do you believe there is a real prospect for democratic reforms?

Messrs. KEAN and HAMILTON. Our mandate was to investigate the facts and circumstances surrounding the 9/11 attacks on the United States. U.S. policy toward Iraq was outside the mandate of our work. We did note in our final report that America's policies in the Middle East do have an impact on how the Arab world views us. We urged America's leaders to understand that impact in framing our policies.

Since the attacks in Riyadh in May 2003, the Saudi Arabian government has toughened its response to terrorism. Saudi leaders clearly understand that terrorists are a threat to their own rule. We advocate a broader relationship with Saudi Arabia, one that is based on more than just oil. We believe that Saudi Arabian leaders must determine what kind of a society they want Saudi Arabia to be 20 years from now and that they will need to decide whether the kingdom will move toward greater democracy and tolerance or whether it will be left far behind in a rapidly changing world. The United States should support Saudi efforts in moving toward the goal of a more democratic society.

QUESTIONS SUBMITTED BY MR. LANGEVIN

Mr. LANGEVIN. Chairman Kean and Vice Chairman Hamilton, we appreciate the fine work you and the Commission have done in preparing this important report. I think it is clear from the Commission's findings and recommendations that we need to make some substantial changes to the way our Nation approaches intelligence and counterterrorism. I was pleased to read that you advocated enhancing U.S. efforts to prevent the continued growth of Islamist terrorism, specifically noting the importance of non-military tools such as diplomacy, economics, education, and cultural exchanges. As you may be aware, Dr. Joseph Nye, the former dean of the Kennedy School of Government and Assistant Secretary of Defense for International Security Affairs, has talked about the need to supplement our military might with "soft power" efforts to win the world's hearts and minds with our values and culture. Most people do not give this strategy the attention it deserves, and I would like you to discuss your recommendations in this regard. Could you quantify the budgetary estimates needed to accomplish your recommendations, such as broadcasting and the International Youth Opportunity Fund? Also, have you given any thought to who should coordinate such efforts? Dr. Nye has recommended the creation of a Deputy National Security Advisor for soft power issues like public diplomacy foreign aid, cultural exchanges. What are your views on establishing such a position?

Messrs. KEAN and HAMILTON. We believe that in combating terrorism, and the growth of Islamic extremism, the United States must use all instruments of national power. This includes robust use of diplomacy and economic power. It will not be sufficient to destroy or capture terrorists. We need to dry up the well springs of terrorism. We did not make a detailed study of how much money should be required for

broadcasting or for the International Youth Opportunity Fund. Those are decisions for Congress and the administration. We do believe, however, that such programs, to have effect, will need to be generously funded. We take no position on whether a Deputy National Security Advisor for "soft power" issues is necessary. We think the new Director of the National Counterterrorism Center, whose mandate will include designing strategies for dealing with the roots of terrorism, will have a substantial role to play in this area.

DENYING TERRORIST SANCTUARIES: POLICY AND OPERATIONAL IMPLICATIONS FOR THE U.S. MILITARY

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, Tuesday, August 10, 2004.

The committee met, pursuant to call, at 3:54 p.m., in room 2118, Rayburn House Office Building, Hon. Duncan Hunter (chairman of the committee) presiding.

OPENING STATEMENT OF HON. DUNCAN HUNTER, A REPRESENTATIVE FROM CALIFORNIA, CHAIRMAN COMMITTEE ON ARMED SERVICES

The CHAIRMAN. The committee will reconvene.

We are meeting for our second hearing today to discuss the 9/11 Commission's specific recommendations to deny terrorists sanctuary.

And our witnesses this afternoon are the Honorable Paul D. Wolfowitz, Deputy Secretary of Defense; General Peter Pace, United States Marine Corps, Vice Chairman, Joint Chiefs of Staff; and General Bryan D. Brown, United States Army, Commander of the U.S. Special Operations Command.

So, gentlemen, thanks a lot for coming. We appreciate your appearance before the committee. And I think it is especially timely following the presentations by Governor Kean and Lee Hamilton.

The 9/11 Commission highlighted the need to keep terrorists on the run and deny them opportunities to establish bases, to train, to recruit and to plan. They further recommended identifying real and potential sanctuaries and making a long-term commitment to Pakistan and Afghanistan while reconfiguring our relationship with Saudi Arabia.

We can all agree on the importance of denying our enemy sanctuary; the trick is to make the recommendation real. The commission report is a little vague on that point. It does not tell us how to handle states that sponsor terrorist acts or harbor terrorist leaders, such as Iraq under Saddam Hussein, Iran, Syria, Cuba, North Korea, the Sudan or Libya.

They didn't recommend what to do in the Philippines or Indonesia where groups aligned with al Qaeda routinely commit murder and mayhem in the name of extremist Islam.

Governments struggle to crush violence, while learning how to respect democracy and individual rights.

And understanding that was the peripheral to the commission's main charter, it still obviously is a very important area. And it can be argued that this was to some degree beyond their charter, but nonetheless it is an area that is very, very important to us.

The good news is that the Administration, Congress and the commission agreed on the importance of eliminating terrorist sanctuaries. We have been doing just that since the 11th of September. Acting with a group of international partners and with the approval of Congress, our armed forces have eliminated the regimes the Taliban and Saddam Hussein, both of which sponsored and harbored international terrorists.

So, Mr. Secretary, thank you for being with us today.

And, General Pace, thank you and General Brown for being with us.

Because also a major part of the recommendations by the commission is the recommendation that paramilitary operations be carried on by special operators, not by the agency. And that is obviously a fundamental change from the status quo.

So these major questions with respect to sanctuary and the further questions with respect to operations, I think, are going to be very important to this committee.

So thank you for being with us. We had a good opportunity to chat during breakfast and try to lay down some of the divisions of labor between the other intelligence agencies and the ones that are harbored within the Department of Defense (DOD). But I think it is a good time for us to get into the substance of those divisions and for you to give your commentary on that aspect of this report.

So, Mr. Secretary, thank you for being with us.

And to all members, those members that didn't get a chance to ask questions of the first panel, we will take up after your opening statements with Ms. Miller of Michigan and we will go right down the line.

And before we go to our witnesses, let me ask Mr. Skelton to make any remarks he might want to make.

[The prepared statement of Mr. Hunter can be found in the Appendix on page 147.]

STATEMENT OF HON. IKE SKELTON, A REPRESENTATIVE FROM MISSOURI, RANKING MEMBER, COMMITTEE ON ARMED SERVICES

Mr. SKELTON. Mr. Chairman, thank you again. And let me tell you we appreciate you calling these hearings, this series of hearings. And I join you in welcoming Secretary Wolfowitz, General Pace, General Brown.

Earlier this morning we had a very productive session with Chairman Kean and Vice Chairman Hamilton. The commission that they headed wisely points out that the issue of denying terrorists sanctuaries must be part of any comprehensive strategy in dealing with terrorism.

The Department's Quadrennial Defense Review did deal with the issue, back in September 2001. The war on terror was just getting started then, and the Department and the military services have taken quite a few actions since that time to rout out sanctuaries.

But a comprehensive strategy that sets priorities is still needed, as the commission does point out. This committee has been waiting to receive the national military strategy, including its classified annexes, since it was due, back on February the 15th. This is not the

first situation or the first time that documents that were required by law slipped.

Now, that document should deal more in detail with our strategy if we are denying terrorists sanctuary.

Mr. Secretary, I am told the document has been waiting for the Secretary's approval for some time. I wish you would discuss that when you have a chance.

Prioritizing our approach to terrorist sanctuaries is so critical. In my mind, a failure to prioritize it correctly is putting Afghanistan at risk of again descending into a viper's nest of terrorism.

By focusing our attention so much on Iraq, I think we have lost sight of the primary battleground among terrorist sanctuaries.

I think we have overlooked the real war. Iraq has become a terrorist haven since the war there, and we must win it there, too. We have no choice.

We must renew our commitment to Afghanistan because the trends there are extremely dangerous. We are hunting al Qaeda in the south and southeast of the country, yet we are not dealing with some of the more long-term problems that are getting more entrenched all the time.

Warlords continue to hold considerable power. Narcotics trade is now estimated about half of Afghanistan's gross domestic product. Recent conservative estimates in the amount of drug money going into al Qaeda are in the millions of dollars. There is a clear linkage in Afghanistan between narcotic, warlords, al Qaeda and the future stability of Afghanistan.

We have to deal with the entire problem. And to do this, we need a comprehensive strategy. The strategy must have enough troops and enough financial resources for the long term.

This committee has committed to finding the extra end-strength, as you know, in our bill that will sustain this mission as well as the others that we need. If we don't, the successful Afghan elections that are scheduled for October won't matter because the country will sink back into terrorist snake pit over time.

So there we are, Mr. Secretary. We need your discussion and your serious attention to it.

The CHAIRMAN. I thank the gentleman.

And, Mr. Secretary, welcome. And the floor is yours, sir.

[The prepared statement of Mr. Skelton can be found in the Appendix on page 152.]

STATEMENT OF HON. PAUL D. WOLFOWITZ, DEPUTY SECRETARY OF DEFENSE

Secretary WOLFOWITZ. Mr. Chairman, thank you for the opportunity to testify. Thank you for the very excellent discussion we had with a bipartisan group this morning over breakfast.

On behalf of my colleagues and everyone at the Department of Defense, I would like to begin by thanking this committee for your strong support for our men and women in uniform. They serve our country magnificently and bravely, and they deserve the kind of encouragement they get from knowing that their sacrifices are appreciated by Congress and by the American people. So let me thank you for your support.

I think they also would take encouragement from this large turnout here in the middle of August, in the middle of a fiercely fought election year. It is testimony to the seriousness with which the Congress, and this committee in particular, on a bipartisan basis are pursuing some issues that are central for our national security.

The purpose of today's hearing is to address the subject of denying sanctuary to terrorists, which forms one of the core recommendations of Chapter 12 of the commission's report. Tomorrow's hearing will address Chapter 13 and its recommendations on intelligence reform.

I have a longer statement, which I will submit for the record. I would like to just summarize some of the main points in it.

I was struck, in reading the report, and particularly Chapter 12, at a broad correspondence between some of the main recommendations of the commission and the lines of approach that the President laid out in the early weeks and months following September 11th.

The commission has emphasized that we are dealing with an enemy that means what it says; which is out to destroy us; and with whom negotiation, unfortunately, and bargaining is not possible.

The commission emphasizes the importance of integrating all elements of national power. We can't approach this struggle simply with one instrument, and certainly not with just the military instrument, even though that is our main focus in the Department of Defense and the main focus of this committee.

Third, the commission emphasized that this struggle is a global struggle, not confined to one particular theater, and that it will be a long one.

And that leads, fourth, to the important inclusion that constitutes the recommendations of section 12.2 of the report, that drawing up sanctuaries, wherever they may exist, has to be the linchpin of a successful strategy.

As I point out in my statement, and you can read it; I won't read every quote from the President, but the conclusions I have just summarized——

The CHAIRMAN. Without objection, all the reports or all the written statements will be taken into the record.

Secretary WOLFOWITZ. Thank you, Mr. Chairman.

Those four main conclusions were central features of a strategy the President outlined in the weeks and months following September 11th.

And I think it could be summarized in some respects as saying that the approach of the last 20 years or longer—dealing with terrorism as an evil, but a kind of an evil we had to live with, that we would deal with it by punishing terrorists after the fact, either in courts of law if we could catch them, or by punitive retaliation if they were countries.

But that approach doesn't work in an era when terrorists have the aims that they do today and when they have the means to inflict casualties of 3,000 or 30,000 or 300,000. We need, as the President has pointed out, and as I think the commission report emphasizes, a strategy of prevention.

But if I can depart for just a few minutes from our main focus here, which will be on what the Defense Department can do, I think it is important to stress that prevention means more than killing or capturing terrorists.

Victory in the war on terror requires sowing the seeds of hope, particularly in the broader Middle East. And, in fact, in that early State of the Union message where the President spoke about the Axis of Evil, he also spoke at some length about what he called the forward strategy of freedom to deprive the terrorists and their organizations of the sanctuary they need.

As the President said, and I quote: "America will take the side of brave men and women who advocate these values around the world, including the Islamic world, because we have a greater objective than eliminating threats and containing resentment. We seek a just and peaceful world beyond the war on terror."

And the President took those ideas much further last fall in two very remarkable speeches, one at the National Endowment on Democracy, here, and the second one in London, where he spoke about the need for reform in the greater Middle East, the need to work with our partners in the greater Middle East and around the world to promote tolerance, the rule of law, political and economic openness, particularly for Muslims, but indeed more broadly.

And the 9/11 Commission report comes to a similar report conclusion on pages 362 and 363, where it talks about tolerance, the rule of law, political and economic openness, the extension of greater opportunities to women, saying that these cures must come from within Muslim societies themselves, but the United States must support such developments.

In short, it seems to me there is an agreement that terrorism needs to be eradicated and discarded, just as piracy and the slave trade were delegitimized and driven to the margins of civilized life in the past. The extremist ideology the terrorists espouse must be pushed to the margins of civilized society and replaced by a hopeful vision of freedom.

That is an ambitious goal, but the threat we face is ambitious. Indeed, it is enormous and unprecedented.

Chairman, in thinking about our enemy it is striking to me that these are people who worship death more than they seem to worship anything else. And at least in that respect they remind you of the notorious Nazi groups like the SS that proudly wore the death's head as their symbol.

Our enemy's strength is their ability to kill innocent people, but I believe that is also their great weakness. We are fighting a cult of death, not life. Reducing the grievances that feed terrorism means offering a vision of life and hope to counter the terrorist vision of death and despair.

I can come now a little closer to earth here and talk about sanctuary. I would urge you to go back and read an excellent speech given by former Secretary of State George Schultz in January of 2002 just a few months after 9/11.

He said, and I quote, terrorists can't exist in any meaningful way unless they have a place where they can train, where they can plan, where they can gather their equipment together and do all

the different kinds of things you have to do to make sustained, coordinated attacks.

That is the same conclusion the commission came to.

That comment has in mind principally the kind of geographical sanctuary the terrorists enjoy when they are harbored by sympathetic regimes like Afghanistan under the Taliban or Iraq under Saddam Hussein. But geographical sanctuary is also found in the vast, ungoverned regions of the world, areas that are beyond governmental control. Typically they involved notoriously difficult terrain, often far-removed from population centers in countries with fragile or disabled governments.

And there is a third kind of geographical sanctuary, unfortunately right here in the United States and in other developed democracies. We know the 9/11 terrorists were able to create a kind of sanctuary inside this country and other democratic countries, exploiting the very freedom and openness that they were attacking in order to hide their evil plan.

But if you think about it, I think this concept of sanctuary is helpful beyond just geography. There is a kind of ideological sanctuary which our enemies enjoy when extremist clerics provide cover by sanctioning terrorism or by recruiting new adherents or by intimidating moderate clerics from speaking out against them.

And finally, I think we need to pay attention to what you might call cyber-sanctuary, the space that exists through communication networks made possible by modern technology.

These networks are wonderful things that enable all kinds of good things in the world. But they are also a tool that the terrorists use to conceal their identities, to move money, to encrypt messages, even to plan and conduct operations remotely.

Our goal overall should be to reduce the space in which terrorists find sanctuary to the maximum extent possible. It is going to take time. It is going to be difficult. Part of the difficult decision is about resource allocation. It requires maintaining careful balance among the different instruments of national power, between diplomacy, law enforcement, intelligence, and military forces. And it requires protecting civil liberties, while at the same time we will reduce the ability of terrorists to operate in our midst.

This will be a long and difficult struggle, but I think we have made some important starts.

The commission, I think, properly highlights three key countries that are illustrations of the importance of denying sanctuary and that are important fronts in the war on terrorism: Afghanistan, Pakistan and Saudi Arabia.

We can discuss them in more detail in the questions. Let me just say I think Afghanistan, to begin with, is an extraordinary example of the role of the U.S. military in denying sanctuary. And as Congressman Skelton correctly pointed out, the Quadrennial Defense Review, even before 9/11, in preparation it identified denying enemy sanctuary as one of the key transformational goals of the U.S. military.

I was enormously impressed by the changes that had taken place since the last time I was in the Department of Defense. Back during Desert Storm when the enemy had a kind of sanctuary in western Iraq from which they were firing Scud missiles at Israel trying

to drag Israel into that war, a lot of brave pilots threw a lot of sorties over western Iraq and dropped a lot of bombs, but they didn't know how to find the targets. Some very brave Special Forces people went in on the ground and found the Scuds, but had very little way to connect to the people in the air.

And then that result of that campaign was a total of one Iraqi Scud launcher destroyed, and that turned out to be a decoy.

What a difference 10 years makes.

In Operation Enduring Freedom, we put Special Forces people into a country 7,000 miles from home where we had had only a few weeks to plan. They linked up with people they had never met before, thanks in part to the help of other government agencies.

They took off on cavalry charges, most of them never having ridden horses in their lives. And before you knew it, they were calling in precision B–52 strikes with airplanes that had come from thousands of miles away.

That is what made it possible in less than two months to remove a dictatorship that had oppressed the Afghan people, terrorized the Afghan people and provided a sanctuary for the terrorists that attacked the United States.

But our job isn't done with the fall of the Taliban. I think we understand that. And the commission report emphasizes the importance of making sure that Afghanistan doesn't slip back into what it was in the past. I think a great deal of progress has been made in the less than three years we have been there.

Today Presidential elections are on track in Afghanistan, set for October, with parliamentary elections set for April of next year. President Karzai set a goal of registering 6 million Afghans for the Presidential election. The United Nations so far has already registered over nine million, and 40 percent of those nine million are women. That is remarkable progress for a country, any country in the Muslim world, in some respects. But for a country that has been through 25 years of invasion and civil war and tyranny, it is truly extraordinary, in my view.

But there is still a great deal of work to be done. Our mission in Afghanistan will go on for some time. But I think we need to understand, I think this committee understands, I think the American people understand, that the stakes are equally enormous.

Pakistan is also correctly pointed to as a key area of concern, a key front in this war. Our success in Afghanistan would not have been possible, in my view, remotely, without the extraordinarily courageous decision of President Musharraf to support us in this struggle against terrorism.

It is a decision that has cost him two near misses in people attempting to assassinate him. It is a decision that has taken enormous courage. But it is a decision that I believe also will bear fruit for him and for his country.

Our victory in Afghanistan has strengthened his hand in Pakistan. And his support in Pakistan, combined with our ability to take the sanctuary away from terrorists in Afghanistan, has contributed to some extraordinary successes by our intelligence and law enforcement people in capturing key al Qaeda terrorists, including some very recent arrests that have been important in cap-

turing some terrorists who we believe are currently planning attacks against the United States.

Indeed, one can emphasize the global nature of this conflict by understanding that we have driven terrorists out of Afghanistan into Pakistan where they have been captured and led us to terrorists elsewhere in London and Chicago.

This is truly a borderless conflict, and we need to be able to operate across borders.

Third, identified by the commission is Saudi Arabia, which has long been a key front in the war on terror. And, indeed, if you read bin Laden's statements, it is probably fair to say Saudi Arabia is his principal target. It is certainly one of the most important.

The attacks in Riyadh of May 12th of last year, perhaps the September 11th of Saudi Arabia, were a kind of wake-up call for the Saudis alerting them to the fact that terrorism was not something that was other people's problem, but was their own.

Fortunately, because of close U.S.-Saudi cooperation across various different government agencies, it has assisted the Saudis in killing or capturing more than 600 individuals during counterterrorism operations, including some very important names, al Qaeda figures that I mentioned in my testimony.

I believe it is also the case that Saudi counterterrorist efforts have benefited substantially from the fact that following the liberation of Iraq, the United States was able to remove most of our military presence from Saudi territory, eliminating what had been a 12 year substantial political burden on that government.

It is essential that we continue to do everything we can to support Saudi efforts to eliminate terrorism and its support structures, but it is also essential, I believe, as Saudi Arabia combats terrorism, that it pursue political development, which is the key to long-term stability.

But as important as those three countries are, we should not get fixated on them or on any one country. If this is a global war, many different agencies of this government are engaged in this effort around the world. The Department of Defense has elements actively engaged in the Philippines, in Georgia, in Bosnia, in Yemen, in Somalia and elsewhere in the Horn of Africa, in West Africa and South America, among other places.

The terrorists see the world as borderless; a geographical strategy also requires us as seamlessly as possible across borders ourselves.

What can we do? Let me be specific. I think I have already referred to what we can do with direct military action, and no words actually will substitute for what the world has seen in Afghanistan and Iraq.

Our military has truly revolutionary capabilities to pursue terrorists wherever military force is appropriate. But, of course, one role of military force, perhaps our most important role since our preferences for diplomatic solutions were possible, is to create the environment in which diplomacy can succeed and I think Libya is a prime example of where that has happened.

But beyond the direct use of military force, and General Brown on my left is really an expert on this, our military has an enormous ability to strengthen local capacity to fight terrorists through train-

ing, through civil affairs programs, through forcing internal defense activities. Indeed, I think it is correct to say that our most important allies in the war on terrorism, not only in Iraq and Afghanistan, those two countries, but elsewhere, will be Muslims who seek freedom and oppose extremism.

The U.S. and its allies must be able to work with these partners and potential partners and help to build their capacity to counter terrorism and insurgency within their own borders.

In that respect, Mr. Chairman, I would like to appeal to this committee and the Congress to help us get the flexibility that we in the Department of Defense need to have to ensure the strengthening of friendly forces. This is a subject that we have discussed a number of times over the last couple of years. I think we have made great progress.

I thank all the Members of Congress for the passage of the Fiscal Year 2005 Appropriations Bill. Overall, that was an enormous benefit to us to get it and to get it so quickly. But also for including in that authority for training and equipping Iraqi and Afghan army and authority for commanders' emergency reserve funds.

I hope that in the authorization bill, those authorities could be made permanent. But I also hope they could extend beyond just the Afghan and Iraqi army. It is as important for our people to be able to train Iraqi and Afghan police as to train armies in those countries.

While I think everyone's preference is to do it where possible on a long-term basis as part of the State Department appropriation, when you are particularly in the middle of a combat zone, it is important to be able to do it as fast as possible. And that means, I think, giving us funding flexibility.

I think it is equally important to support our requests for the Global Peace Operations Initiative which would allow us to train foreign forces in peacekeeping operations that I think, successfully conducted, can ultimately reduce the strain on our forces by helping to prevent the development of these ungoverned areas.

In my testimony on page 11, I mention a number of other roles for the U.S. military. I think we particularly play an important role in our liaison with military institutions across a whole range of countries. It is a source of enormous influence for the United States. It is one that requires careful management. But I think it is very important that we not deprive ourselves of that tool.

But finally, although it goes beyond our mandate and it goes beyond this committee, I think it is important to keep in mind the military instrument is only one instrument. We need by other means, including other agencies of the U.S. Government, to find ways of strengthening moderate voices in the Muslim world. We need to find ways to develop educational opportunities in underdeveloped parts of the world. We need to figure out anything that we can do as the government or as a country to encourage support from American philanthropic institutions for individuals and organizations that offer genuine alternatives to extremism.

So stop and think about it for a minute: A quarter of a trillion dollars, I believe is the figure for American philanthropy. We are some of the most generous people of the world. Yet in this one area where our national security is affected, I would wager that we are

outspent 100 to 1 or more by those people who fund extremists. We can do a lot by helping the people who want to fight the same fight as we.

Mr. Chairman, let me just conclude, if I might, with a quote that came my way from an e-mail that one of the officers in the building got from somebody in Iraq. I think it is testimony to the power of freedom and democracy as a tool in this war.

Support for freedom and democracy is not some kind of Utopian idealism. I believe if we ignore that tool, we ignore one of our most powerful weapons. It is the weapon that won the Cold War, and it is the weapon that can win this war on terror. And it was expressed very eloquently in this e-mail that is at the end of this testimony. And I put it there with all the grammatical errors and misspellings. It is by an Iraqi Arab for whom English is not his native language.

Let me just edit it a little bit so there is no misunderstanding. He wrote after the recent fighting up in Mosul on August 4th, "Yes sir, things in Mosul are tough, but every day Iraqi police get more and more power and experience, and they have great support from the U.S. Army. Just yesterday we had a battle between Iraqi police and the National Guard on the one hand, with the Ansar al-Islam terrorist organization on the other.

"Those bad guys thought that Iraqi police and National Guard would leave their position when they just heard the sound of shooting. But instead the police and National Guard fought them in the best way and killed 14 of them.

"As for your question, 'What can we do to make Iraq better?' the first thing that Americans and Iraqis need is to be patient and to work very hard. We know that freedom has cost much. For example, the freedom which we see right now in Europe and the United States did not come from a vacuum, but was paid for by rivers of blood. I hope we will not see any more blood in Iraq, but we will see the freedom in Iraq whether the enemies of freedom want that or not."

Thank you, Mr. Chairman.

[The prepared statement of Secretary Wolfowitz can be found in the Appendix on page 157.]

The CHAIRMAN. Thank you very much Mr. Secretary.

General Pace.

STATEMENT OF GEN. PETER PACE, USMC, VICE CHAIRMAN, JOINT CHIEFS OF STAFF

General PACE. I would be remiss if I didn't at least, in front of you, Mr. Chairman, Mr. Skelton and members of the committee, echo what the secretary said about our appreciation, our deep appreciation for the very strong bipartisan support that we always receive from the Congress of the United States. There is not a single mission that you have sent your armed forces on that you have not backed us up.

Equally important, we deeply appreciate the fact that many members take time to go visit the troops in the field. And it makes a difference when they see their representatives, their senators, and congressman visiting them in the field.

We thank you, sir.

I would like to thank the 9/11 Commission, as well. That commission's work has teed up for national debate some enormous issues and opportunities for us to change the way we do business and to get on about doing business in the future in a much more efficient and effective way. And we owe them a debt of gratitude for making it possible to focus in on the issues that they highlighted for us. I appreciate personally this opportunity to be part of that dialogue.

And we are talking about sanctuary. In the secretary's opening comments, he talked about the various types of sanctuaries. But there is also various areas in which there are sanctuaries. We have countries that are knowingly and willingly harboring terrorists. We have those that are fighting against terrorism to the best of their ability. We have those that would like to fight against, but don't have the capacity. And we have those who don't know the problem they have.

If you just take a lap around the world from Iraq, you have, in all those categories, various countries like Kuwait, Saudi Arabia, Yemen, Somalia, Sudan, Syria, Libya, Georgia, Paraguay, Colombia, Philippines, Indonesia, Malaysia, North Korea, Pakistan, Afghanistan, Uzbekistan, Iran, and you are back to Iraq. And I am sure I missed a few.

The message there is that we are going to need all elements of our national power. We are going to need many friends.

And although our military will and can fight our battles, the ultimate solution here is going to be one of education and economics. Sir Thank you.

The CHAIRMAN. Thank you very much, General Pace.

General Brown. Thank you for being with us here.

General BROWN. Thank you, sir. Thank you for the opportunity.

I do have an oral statement that I, with your permission——

The CHAIRMAN. Listen, you go right ahead, and we will take your written statement into the record without objection.

STATEMENT OF GEN. BRYAN D. BROWN, USA, COMMANDER, U.S. SPECIAL OPERATIONS COMMAND

General BROWN. Okay, sir.

Mr. Chairman, Congressman Skelton, distinguished members of the committee, it is an honor to appear before you today to testify on our efforts to deny sanctuary to the terrorist forces who threaten the United States.

The number one priority of the United States Special Operations Command is (USSOCOM) the Global War on Terrorism. Our Special Operations Forces (SOF) have been decisive on the battlefield and continue to posture for success.

We appreciate the 9/11 Commission's efforts and their concern for the need to deny terrorists sanctuary.

In support of our geographic combatant commanders, we are working side by side with conventional military, interagency and our coalition partners to abolish terrorist safe havens.

Together our combined efforts will enable us to defeat terrorist groups far from America's shores. Success in the war on terrorism also hinges on building robust coalition partner capabilities. Special Operations forces are uniquely capable in working closely with our

coalition partners to develop their indigenous fighting forces, enabling them to engage the enemy, defend their own borders and deny terrorists sanctuaries.

We are successfully executing all of our legislated core tasks globally in support of the geographic combatant commanders. In addition to executing our directed military actions against terrorists, USSOCOM is also aggressively engaged in civil affairs, foreign internal defense, psychological operations and unconventional warfare missions.

Strengthening coalition partners goes beyond just training and equipping military forces. Building partner-nation infrastructure through our civil affairs core tasks is a critical part of enabling host nations to fight terrorism within their borders.

Civil affairs forces working with conventional coalition and other government agencies in concert with a host nation government can improve their quality of life by building or reinforcing infrastructure. Examples include building roads, schools, hospitals and drilling wells. By improving the local population's education, health and welfare, civil affairs force actions bring legitimacy to local government and eliminate the seeds of discontent.

We also continue to exploit opportunities to aid other nations that are willing but not necessarily capable in the global war on terror.

We accomplish this through our foreign internal defense mission. An excellent example is our efforts to train the army in the Republic of Georgia. Special Forces soldiers went to Georgia in September of 2002. In December of 2003, we handed an established operation over to the U.S. Marines. And today, there are more than 2,600 trained Georgian troops. And they have begun their own combat operations in the Pankisi Gorge, a known safe haven for terrorist cells and support infrastructure.

Another important force multiplier for all of our core tasks is our psychological operations (PSYOP) capability. Dissemination of truthful information to foreign audiences in support of U.S. strategic objective is a vital SOF capability.

Our PSYOP forces employ nonviolent methods to convince the enemy and neutral forces to take actions favorable to the United States and its allies, and reject the agendas of agents of instability.

As we demonstrated in Afghanistan, USSOCOM's core task of unconventional warfare is sometimes the best course of action. Unconventional warfare is the process whereby Special Forces accomplishes our national objective through, by and with surrogate forces.

During the beginning of our operations there, we executed a classic unconventional warfare campaign with the Northern Alliance and anti-Taliban forces. A very small American ground force, taking advantage of local expertise and the experience of the Northern Alliance forces, built a relationship that lead to the overthrow of the Taliban and denial of a longtime terrorist sanctuary.

It is important to note that safe havens are not simply geographic areas. They go beyond terrain and political control.

Terrorist sanctuaries also exist within legal loopholes, financial networks, cyberspace and intelligence gaps. Additionally, terrorist take advantage of seams in policies, capabilities and authority.

To successfully deny terrorists sanctuary requires a range of operations tailored for a specific situational. A tremendous example of how Special Operations Forces executed missions across the spectrum of our capabilities is our success on the island of Basilan in the Philippines. Between March and July 2001, American Special Forces employed a combinations of efforts to rid the area of Abu Sayyaf terrorists.

Using unconventional warfare, American SOF worked with surrogate Filipino forces to hunt down terrorist safe havens in the island jungle and help them secure their own territory for the long-term.

At the same time, civil affairs forces coordinated the construction of critically needed infrastructure in the area, providing humanitarian relief to the poverty stricken region.

Our presence, alongside native Filipinos, enabled us to build a close relationship with the local population and earn their trust.

We also supported a Filipino-led psychological operations campaign. With U.S. assistance, the host nation developed positive themes that reinforced the military activities on the island.

As a result of the comprehensive approach, American Special Operations Forces, without firing a single shot, were able to help the Filipino soldiers drive Abu Sayyaf terrorists from Basilan Island.

The Philippines is a regional success story that also highlights that intelligence is the key. At the warfighter level, intelligence and operations are interdependent. The goal is immediate intelligence to the operators and the analysis quickly accomplished at the lowest level possible.

Today at USSOCOM we have merged operations, intelligence and our interagency members all into a single directorate. By necessity, the relationship between Special Operations and our nation's intelligence agencies is the best it has ever been. We cannot let it go back. We have made great progress.

As the secretary alluded to earlier, a joint interagency effort to deny terrorists sanctuary is required. Direct military action alone is not sufficient to win the war. After all, in many respects, this is an ideological war, a war where ideas are the center of gravity.

In conclusion, I want to thank you, the members of the House Armed Services Committee, for your continued support in providing United States Special Operations Command the requisite authorities that enable us to maximize the use of our unique capabilities. The soldiers, sailors, airmen and Marines and great DOD civilians at Special Operations Command are more capable and lethal because of your efforts. I look forward to answering your questions.

The CHAIRMAN. General, thank you very much for a very complete statement.

And thanks to all of our witnesses.

And since we didn't get a chance to have all the members ask questions of the last panel, we are going to start with those folks and go right down the line.

And Ms. Miller of Michigan is recognized.

Mrs. MILLER OF MICHIGAN. Thank you, Mr. Chairman.

I certainly appreciate all of the gentlemen coming today, And your testimony as well and certainly your service to our country.

And listening to General Pace go through all of the various countries of concern that we all are thinking about and the challenges ahead of us, it certainly is very sobering listening to you go through them like that. My gosh, what is left? They are, like, they are everywhere. And you do have that feeling sometimes.

I think we have to reflect a little bit on our successes as well. I certainly am a believer in the Bush doctrine. I heard of preemptive action—I heard someone once make and analogy, it was sort of like a rattle snake living in your basement.

A nest of rattle snakes, you know they are down there. You know they live down there. You know they hate you. And I guess it is for you if you think you want to go down and get them out of there or wait and see if they come up and bite you.

And some people say, well, you don't want to get him going, because they are going to make them angry. It is going to be worse. And those are the kinds of challenges I think we have to think about. And we have had some remarkable successes.

When you think about Afghanistan, certainly formerly a state sponsor of terror and what is happening there now. I had the opportunity to be there in the early part of February.

Certainly turning Pakistan from a supporter of the Taliban regime into now really a key ally on the war on terror as well.

Also Gadhafi, Secretary Wolfowitz mentioned, that is something we don't talk about enough, I think. When you have a state like Libya voluntarily opening up their border to disarm their nuclear program, perhaps watching Saddam get drug out of Iraq all thinking this regime things is not all it is cracked up to be. We should take some of those things, certainly, to heart.

I live in Southeast Michigan where we have the largest Arabic population in the nation. And almost every day that I am home in my area, I hear from both Muslims and the Chaldeans about people who have literally fled from Iraq, because of the brutality of Saddam, and so many of them trying to make a new life for themselves and their families here now, and how they, obviously, have a lot of opinions on how important it was for us to go in initially, and what is happening now. They have some consternation that they are raising, of course. I know they have talked to many of you.

My question is, as we look across the globe and again picking up on what General Pace said, I wonder if we are doing enough to identify and address some of the terrorism closer to home, specifically in South America, which we read more about, sort of, the secluded region between Brazil, Argentina and Paraguay.

Mrs. MILLER OF MICHIGAN. I mean, this is another area where they seem to have moved, and I wondered if you comment on that.

Secretary WOLFOWITZ. I think you are right that South America is an area of concern. General Pace was our Southern Command combatant commander before he took this job, so I think I will turn it to you, Peter.

General PACE. Ma'am, there are areas in South America, for sure. Two definitely are in Paraguay and the triborder area where Brazil and Argentina meet. In addition, there are the narcoterrorists in Colombia, who add to the wealth of the terrorist community in many, many ways.

My point, I think in enumerating all the locations that I did was that this is truly a global effort, it is not a one-nation effort, it is a global community effort. It requires more than just military; it is going to require all elements of our national power and other nation's national power. And that is why the 9/11 Commission's recommendations and your deliberations on how we can better arrange ourselves to face this threat in the future are so important.

Mrs. MILLER OF MICHIGAN. Thank you, Mr. Chairman.

The CHAIRMAN. I thank the gentlelady.

The gentleman from Connecticut, Mr. Larson.

Mr. LARSON. Thank you, Mr. Chairman.

I have two questions. My first question very directly, what the general pointed out, deals with ideas. It is directed at the administration, and rather straightforwardly. Has the neo-conservative, ideological reach of the administration exceeded our military's grasp?

As has been pointed out here, I think we are now deployed in about 120 countries overall.

And my second question deals specifically with something that Ambassador Jordan said to us when we were visiting Saudi Arabia. And I asked Ambassador Jordan, I said, "It seems to me like you have a gathering storm here in Saudi Arabia with better than 35 percent unemployment, median income dropping from $28,000 to under $7,000."

And he stopped and paused to correct me, and said, "Congressman, you are from New England. This isn't a gathering storm. What we have here is all the makings of a perfect storm. And we ought to be careful." He said because if we were to preemptively strike and unilaterally invade Iraq and go after this toothless tiger, we will unwittingly accomplish what Osama bin Laden failed to do, and that is create a united Islamic jihad against us; similarly, to what George Herbert Walker Bush warned us that we would become an army of occupation in Iraq, and thereby taking our eyes off the prize, Osama bin Laden in this case, and the sanctuary where he remains in Pakistan. Ambassador Jordan, right?

Secretary WOLFOWITZ. This was a global war before we discovered it was the global war. These terrorists have been building up this capacity for at least 10 years and arguably more like 20 or 30. And they didn't embed themselves in London, in Paris, in Riyadh and Jakarta because we attacked Iraq or after we attacked Iraq. They had been out there.

I think, in fact, if you go back and read Osama bin Laden's notorious fatwa of 1998, where he calls for killing Americans, his major cause of complaint was our containment policy and the fact that we had some 20,000, I don't know, probably thousands of Americans and American aircraft based on the holy territory of Saudi Arabia, bombing Iraq.

We could not, in my view, have continued the status quo of the last 10 years, the last 20 years and fought this war effectively.

And while, certainly there are some people who may be angry at us because Iraq or Afghanistan weren't angry before, it is also the case that some 50 million Afghans and Iraqis now have a prospect of freedom that they didn't have before. And ultimately, I think they will be very important allies in the Muslim world.

We have developed close relationships with a number of countries, including Indonesia, where I was ambassador for three years and Turkey where I have spent a lot of time, who are very strongly our allies in this war on terrorism, whether or not they like our policy in Iraq, whether or not they like our policy in Afghanistan.

But we could not, I believe, win this war if we were on defense.

Mr. LARSON. Then how is it that we didn't garner the number of Arab allies that we were able to garner during the Gulf War, that are absent during this war?

Secretary WOLFOWITZ. Well, actually, we had the support of quite a few Arab countries, some of which preferred not to be named as such. And this was obviously a more controversial situation than the defense of Kuwait.

That doesn't mean that because it was controversial we should have continued waiting until the Russians or the French or whoever it is might have lifted their veto.

I think, in fact, if you look at how they voted with their actions, they were very strongly in support of getting rid of this man who, by the way, was an enormous threat to Saudi Arabia and to the other neighboring countries in the Gulf.

The CHAIRMAN. I thank the gentleman.

The gentleman from Missouri, Mr. Akin.

Mr. AKIN. Thank you, Mr. Chairman.

It is a pleasure to see you again after breakfast this morning.

And just a couple of thoughts. The first thing, you talked about denying sanctuary and all. And it reminds me of something I thought of when I first came on this committee because I had recalled my uncle that served in Korea, which was a no-win war, and that I just about went to Vietnam, which was a no-win war. I don't think no-win wars are a very smart idea.

When we deny sanctuary, did you ever think that essentially what we are saying is we are preventing the war on terrorism from being a no-win war, because if you allow terrorists to hide everywhere, there is no way we can stop them. I don't really see that we have an alternative. So I am very strongly supportive of your policy.

Now, when you talk about sanctuary, I suppose that you might include drug money or madrassas schools, as well. And so some of those things, I suppose, we are going to have to deal with.

Now, the main question that I have had as we have been sort of focusing on this question of intelligence, you can organize companies on different basis. Some companies are organized based on financial things. So you collect a bunch of different businesses because there are financial things—or other companies are based on marketing.

You could say that each of us as congressmen need intelligence. Anybody who serves in the military needs some form of intelligence. Does that mean all of it is going to be centrally located in one place or doesn't indicate that, likewise, there has to be an intelligence component still maintained in the military?

We were in Iraq, and the soldiers were telling us, we want more Unmanned Aerial Vehicles (UAVs) at our immediate on-the-street level. We want that intelligence. And we want to be able to direct it and aim that camera where we want to use it.

I guess one of the concerns I had about the report is, is it suggesting, and are you suggesting that we would give up all of that capability to have it centralized somewhere? Or doesn't it make sense that we keep some of that intelligence capability immediately with our troops on the ground?

In fact, I guess I could ask the Marines: Wouldn't you want some UAVs just literally attached to the local units?

Secretary WOLFOWITZ. Let me let the military operators comment. But let me just say, first, I think what the commission is rightly focused on is the tendency of too much intelligence to be, if I can use our jargon term, stovepiped; that is the people who collect it are going to feel they own it, and not for bad reasons. I mean, they want to protect sources. The law enforcement, they have a lot of civil liberties concerns about sharing information.

But I think the commission correctly emphasized that we need to do a better job of sharing. But I think we will make a mistake, particularly in an age of information technology networking, if we think sharing information means pulling it all together in one central brain that then decides who gets to look at it.

I think networking and pushing information out horizontally, which I believe is what the private sector has learned to do in the last 10 years, is what government needs to do a better job of.

Mr. AKIN. Certainly, you have shown that in the military that you have done a good job of that, with the joint operations.

General PACE. Sir, we certainly do need to retain our capability to provide to the warfighter the kinds of intelligence that we have been able to provide them.

Intelligence is no longer a supporting arm. Intelligence is very much an intel operations arm. And as we do an operation, we uncover more intelligence that very quickly leads to another operation. So there are things that need to be done on the battlefield and for the battlefield that our agencies are doing for us.

Having said that, to echo what the Secretary said about stovepiping, there is certainly the need for better sharing of information and intelligence horizontally, and having a location where all intelligence can be collated and collected in an agency then that can make sure that all of those stovepipe organizations, so to speak, have, in fact, all of the information they need and a place that can identify the national requirements that are currently being gapped.

I think we need to be careful of two more things. One is that we retain competitive analysis so that, using your business analogy, you have profit centers that are your current agencies. You have a corporate headquarters that is orchestrating all of that. But you are benefiting from each organization having all of the facts, but also benefiting from the individual organizations to look at those facts in a little bit different light and give the leadership something different to look at.

Also, whatever changes we make should not be focused solely on the Global War on Terrorism. We have other threats out there, other enduring threats that we must make sure whatever we do to change our intel community, that we adhere to, not only what is right for global terrorism, but also our other needs.

Mr. AKIN. Thank you, Mr. Chairman.

The CHAIRMAN. I thank the gentleman.

The gentlelady from San Diego, Ms. Davis.

Ms. DAVIS OF CALIFORNIA. Thank you, thank you, Mr. Chairman, and thank you to all of you for being here.

I want to follow up, actually, on my colleague's question. In our discussion that we had for about three hours with the commission, we didn't really touch on one of the areas of intelligence that I think is—maybe it is kind of the elephant in the room, I am not sure—but the Office of Special Plans that was developed within the Pentagon some time ago and was kind of reinvigorated, I guess you might say. Perhaps you can clarify that for me because I would appreciate your take on that. Where does that fit in your thinking in the work that we are doing now?

I know that we all have great concerns about the management of information. And I think that we all want to be very careful that that management of information gets to the warfighter. But the management of policy is, as has been stated earlier, a different issue.

Could you clarify the Office of Special Plans? Is that operative today? And for—what kind of information do you rely on them to present? And why do we need that or why had we utilized it in the past?

Secretary WOLFOWITZ. I mean, we are talking not about the elephant in the room, but the flea. I mean, we are talking about two people. Actually, you use this phrase "Office of Special Plans." That was actually a phrase used to describe the office that was doing Iraq planning back in a period when we were trying to be relatively discreet about it.

What you are really referring to is the two individuals who were asked by Under Secretary Doug Feith to look at this mass of intelligence information on terrorism and see what patterns they could discern in it.

They didn't generate intelligence. They didn't do intelligence assessments. But they went mining information. And I would think, in fact, that hopefully we would see more ability of different organizations to look at the same body of information and, as General Pace said, to look at different ways of viewing it.

I think the 9/11 Commission actually correctly called for more competitive analysis and pointed out, I think their phrase is failure of imagination, that if you get everything going through a single needle head and only one view that is accepted, you are much more likely, I think, to have a sort of groupthink that looks at the information that is available to everybody, but looks at it through a single lens.

But the main point is that we are talking about two individuals who are simply looking at the intelligence collected by our huge intelligence community. And I think their role has been just enormously exaggerated. It is a kind of urban legend.

Ms. DAVIS OF CALIFORNIA. Thank you, Mr. Secretary.

It may be an urban legend, but I think there still are concerns about what we do to really protect the professionalism of our analysts. And whether or not that information that is coming forward is not so much, I think, connecting the dots as much as, perhaps, disregarding some of the dots, perhaps.

And I agree with you. I think we need a competition of ideas, and we need to ensure that that is available to whoever and whatever kind of organization has some overall entity that we are talking about here.

But I wanted to just have your response on that. I appreciate it.

One of the things as Members we know, with the jointness; and that is a great model, I think, in Goldwater-Nichols, that everyone has pointed to, I have to say that I haven't really seen a difference of opinion that comes to us when we have the Joint Chiefs here. And I assume that a lot of that is thrashed out together. But at the same time, if we are looking to an intelligence community that is going to act like the Joint Chiefs and is going to use that model, what problems; perhaps, General Pace, do you see with that? You know, what really should we be weary of as we use that as a model?

General PACE. Let me try answering your question, ma'am. The way that the Joint Chiefs operate is not to come to a consensus. The way we operate is to put our heads together and digest what we are getting from our subordinates, debate it, have dialogue with our civilian bosses, give our best military advice, understand that that best military advice is not always what is best for the nation, that there are other things that override what a pure military solution might be and should override that.

So I am very comfortable and very appreciative of my opportunity as a member of the Joint Chiefs to speak my mind forcefully and as loudly as I need to, to be heard, but also to understand that I am one voice in a process that allows our nation to hear diverse opinions, and for the leadership to make decisions.

Ms. DAVIS OF CALIFORNIA. Do you think it works for a new intelligence community?

General PACE. I think what I believe about the opportunity is that, just like a joint task force commander has Army, Navy, Air Force, Marines and sometimes Coast Guard working for him, an intelligence hierarchy could have the various agencies working for him in a concerted way, in that just like if a joint task force commander asks his Marines to do something that that Marine commander doesn't think is correct, that Marine commander is going to go first to the joint force commander and tell him what he doesn't like.

And then if that doesn't sway the commander, it is incumbent on that subordinate commander to go to his Marine boss to bring into the commandant of the Marine Corps, who is a member of the Joint Chiefs of Staff, so he can bring it into the Joint Chiefs for discussion.

So I then would see this recommendation about working at the Joint Chiefs to be that the head of intelligence would have day to day the authority to direct certain actions, and that if, as is most times the case, that action made sense, the efficiency of the organization would improve drastically.

And for that two percent of one percent of the times where there is a disagreement, then that subordinate could go to either the director of the Central Intelligence Agency (CIA) or to the Secretary of Defense, depending on who their other boss is and bring it to,

in this case, the National Security Council to have an open dialogue and discussion about which way we should go.

So I am not exactly sure what you mean when you say, like the Joint Chiefs. But that is how I see so far what I believe would work in the intel community.

Ms. DAVIS OF CALIFORNIA. Thank you.

General BROWN. Since we are talking about intel, could I reach back and answer Congressman Akin's questions or make some comments about it.

First of all, we are big fans of tactical UAVs. We are fielding them as fast as we can to all of our SOF teams and our SEAL teams as fast as we can get them.

But as a warfighter, as a combatant commander, my concern is getting intelligence directly down to the warfighter. In our case, that may be a 29-year-old captain, in Mazar-e-Sharif, or it may be a SEAL team in downtown Baghdad.

And so intelligence for those guys is, number one, mission success, and, number two, personal survival. It is very, very important that we keep all of the intel capability available to these folks on the battlefield.

And in my mind what that means is, because we are basically a consumer of intelligence, although we are a producer also of what I would call street intelligence, but we are a consumer for the most part is that the National Geospatial-Intelligence Agency (NGA) and Defense Intelligence Agency (DIA) and National Security Agency (NSA) that the ability to have them down there supporting us instantaneously so that we can hit a target and immediately move to a next target without going back and doing a lot of planning, doing that analysis at the very lowest levels I think is absolutely critical.

Thank you.

The CHAIRMAN. Thank the gentlelady.

The gentlelady from Virginia, Ms. Davis.

Mrs. DAVIS OF VIRGINIA. Thank you, Mr. Chairman. And let me just sort of try and follow up on both my colleagues, Mr. Akin and Ms. Davis from California. I think, General Pace, first, let me just say that I have been to Iraq and Afghanistan and visited the troops, and there are none finer. And I don't want to do anything to harm them, General Brown, at all.

I think, General Pace, that the Joint Chiefs illustration came from our previous panel. And I guess my concern is if you have the Joint Chiefs, it is still not going to be any better than the intelligence that is shared amongst the agencies.

In my opinion, that is what is wrong right now, and I think that is what we have heard, that there is just no communication between the intelligence agencies. And we don't have the technology out there. They are not using the same applications so they couldn't communicate, I don't think, even if they wanted to right now.

So I am not sure that bringing in a national intelligence director at (NID) this point is going to solve the problem until we get the culture of the different agencies where they are willing to share with one another. So I don't know if more chiefs is going to make any difference.

Let me just ask you, General Brown, what you just said on bringing the intelligence down to the street level, down to our military, do you get intelligence you need right now from the other—do you get cooperation from the CIA, the Federal Bureau of Investigation (FBI)? I don't know if I can ask that in this setting, but——

General BROWN. We get tremendous cooperation from the CIA and we have Joined Interagency coordination Centers on the battlefield in Afghanistan and in Iraq. And the whole interagency team is there, as well as at my headquarter in Tampa, Florida. So we really do have a great working relationship. And they produce great intelligence.

Mrs. DAVIS OF VIRGINIA. Is your concern if we bring in an NID that you wouldn't have that intelligence as quickly as you need it? Is that——

General BROWN. I think my concern is that I want to make sure that as a warfighter that every piece of intelligence that is available is instantly available to my guy on the ground wherever he is or my guy in the air or out in a boat.

I would not want any impediment, whatever that would be, to restrict the intelligence flow to the lowest level as fast as you could get it there.

Mrs. DAVIS OF VIRGINIA. Do you see having another chief as being an impediment?

General BROWN. No, I don't see it as an impediment based on how the system—it would depend on how the system is set up. But currently, I don't see it as an impediment.

Mrs. DAVIS OF VIRGINIA. Anybody else want to answer?

Secretary WOLFOWITZ. I think it depends—my view—it depends very much on how you do it. And that is why I think it is important to work out the details thoughtfully and carefully. If done right, it will actually, I think, make more information available to the warfighter because it will break down some of the stovepipes that will produce, hopefully, more of a common culture.

Done wrong, it will sort of hoard everything into Washington. And somebody will have to decide at a high level who gets to look at it. And that would be a mistake.

General PACE. I appreciate having the opportunity to have a dialogue. Because I truly don't know what the Joint Chiefs model applied to intel is supposed to mean.

I can visualize the current agencies having an individual over them who ensures that there is a central repository of all information, that all of the information that is available is shared with all of those agencies, that gaps in our intelligence collection are identified, and that there is an efficient sharing of information amongst the agencies, and perhaps, perhaps, some tasking authority to be able to ask, and a directing agency to go out and get information to fill those.

But that is the kind of dialogue I think is very valuable. Because there is not a very straight analogy between what the intel guys are going to do and what you expect of your Joint Chief.

Mrs. DAVIS OF VIRGINIA. I know. And, you know, it has been a high price in Afghanistan and Iraq. And to hear you, General Pace, list countries, and I think it is just so mindboggling to think that

we might have to send our military into many, many more countries to not have a sanctuary for the terrorists.

And I guess I just have a real concern that we don't do this so fast that we really mess up and pay more of a price than we have already paid.

I thank you, Mr. Chairman.

The CHAIRMAN. I thank the gentlelady.

The gentleman from Rhodes Island, Mr. Langevin.

Mr. LANGEVIN. Thank you, Mr. Chairman.

And, gentlemen, welcome. Again, thank you for your testimony today and being here.

Mr. Secretary, good to see you again. I enjoyed our meeting out in the Pentagon, recently.

The commission begins its chapter 12 on what to do with a broad series of statements about the threat we face and the type of national strategy that we need.

And by the commission's explicit acknowledgement, the strategy needs a balanced use of all elements of national power. And, basically, our efforts to deny sanctuary to terrorist requires us to use a variety of tools.

One particular focus should be to prevent the continued growth of radical Islamist terrorism using military and nonmilitary tools, such as diplomacy, economic, education and cultural exchanges. And I have heard you talk about that here today.

As you may be aware, Dr. Joe Nye, former Dean of the Kennedy School at Harvard and former assistant secretary of defense for international security affairs, has talked about the need to supplement our military might with what he calls soft power, basically efforts to win the hearts and minds of the world with our values and our culture.

What I would like to ask is: How does the Department of Defense conduct such activities now, as well as in the future? And, also, how do you cooperate with other agencies in the field?

Obviously, we acknowledge that hard power alone in the long run cannot win this war on terrorism. It is essential, obviously, in the short run with military power, the use of our police forces, both here in the United States, in cooperation with countries around the world, but it is not going to be the sole thing to win the war on terror in the long run. It is going to be more of a reliance on this soft power issue.

So that and also, do you have thought about who should coordinate such activities, such efforts?

Dr. Nye has recommended the creation of a deputy national security adviser for soft power issues like diplomacy, foreign aid and culture exchanges.

I guess, what are your views on establishing such a position?

And then, my final part of the question will be: Is the Department reassessing the Quadrennial Defense Review to see how the commission's findings might be adopted into DOD's strategic and other guidance?

Secretary WOLFOWITZ. Good question. I think that Professor Nye's views that you refer to, I think, I fundamentally agree with. And I tried to indicate in my statement that I think, as important as the military instrument is, we will make a huge mistake if we

just focus on that, or, for that matter, if we just focus on military and intelligence and law enforcement. It is about more than killing and capturing terrorists.

I think we do, as a Department, contribute something outside that area. Take the case of Pakistan. I think one of our problems in Pakistan today is that for too long we deprived ourselves of one of the most important instruments of influence in a country where the military is one of the most important institutions, and that is the contact between our military and their military.

Too often, I think, we treat that as a tool for rewarding or punishing countries or for promoting military reform, which certainly should be an objective.

But you don't promote military reform in a country like Pakistan by cutting off education for Pakistani military officers here and pushing them into the one alternative, which is the Islamic extremists. It is not as though if we leave them alone, nobody else will go out to recruit them.

But I think it is, I mean, I may say something surprising here, I think it is very important maybe outside the scope of this committee to make sure that the State Department funding requests are tended to in the same way that ours are. They are part of a national security budget.

It makes a huge difference, and the committee report correctly points to it, that our assistance to Afghanistan, our assistance to Pakistan has gone way up. I mean, they were down in the single digits back in the 1990's. And I think it is a sign of part of the trouble we got into.

So soft power is certainly a part of it. I don't know about a deputy national security adviser for soft power. I would want to think about that. I mean, too often, when you create a special function like that, it sort of instead of giving more attention to the issue, it allows people to say: "Oh, Joe down the hall takes care of that."

But Joe down the hall doesn't really get listened to. You need to make sure that these considerations are made a part of your policy toward every country, that they are made an integral part of your policy in fighting terrorism.

Mr. LANGEVIN. And the Quadrennial Defense Review?

Secretary WOLFOWITZ. We are really just kind of getting started on it now. But I don't know if this fits in that range, but certainly the question of how we can assist in building indigenous capacity in countries that either have ungoverned areas, Pakistan's a prime example, countries where we can relieve a burden from ourselves or prevent a burden from arising by making sure that we have that capacity to build up what other people can do I thin is going to be an important part of what we look at.

Mr. LANGEVIN. General, any comment?

General BROWN. Sir, I think, arguably, before Goldwater-Nichols, you had the best Army in the world, the best Navy, the best Air Force, the best mare core, but very much stovepiped organizations that did not operate synergistically on the battlefield.

And, arguably, it took us about 18 years to get there. And, finally, I think history will show that the battle in Iraq was, in fact, fought the way that Goldwater-Nichols envisioned that your armed forces would fight.

We currently have a terrific Department of State and a great Department of Defense and a superb Treasury Department. And the question is: Is there some organization, some way to organize that would allow each of those departments to function more efficiently, even more collaboratively so that we can bring in a very effective, precise way all of the elements of national power to bear on whatever the particular problem happens to be?

Mr. LANGEVIN. Thank you, gentlemen.

The CHAIRMAN. I thank the gentleman.

The gentleman from South Carolina, Mr. Wilson.

Mr. WILSON OF SOUTH CAROLINA. Thank you, Mr. Chairman. And thank you, Mr. Secretary, Generals.

I am just so grateful for our troops and the successes that we have had in the Global War on Terrorism, protecting American families.

And, General Brown, I appreciate you pointing out a fact that many people just don't know, the success in the Philippines, success in Colombia.

We of course are very familiar with the disarmament of Libya, the liberation of Afghanistan, the liberation of Iraq, the uncovering of the terrorist cell that was prepared to launch an attack on Amman, Jordan, with the intent of a chemical attack to kill 20,000 people just three months ago; and, of course, the success in the last 60 days of the killing of the al Qaeda leaders of Saudi Arabia and Algeria.

And this is again because of the bravery of American troops and the confidence of our military. I am very grateful.

The topic today, of course, is the 9/11 Commission and denying terrorists sanctuaries. And I was very impressed in the 9/11 Commission report that there was a very extensive description of the contacts between Saddam Hussein's Iraq and al Qaeda prior to 9/11.

And particularly, in chapter 2, pages 61 to 66, there were specific citings. Bin Laden was also willing to explore possibilities for cooperation with Iraq. The report says that Saddam Hussein's regime tolerated and may have even helped al Qaeda sponsor groups in northern Iraq, including Ansar al-Islam.

The report says that bin Laden himself met with a senior Iraqi intelligence officer in Khartoum in late 1994 or early 1995. The report says that bin Laden proposed cooperation to Saddam Hussein's regime in 1997, but was rebuffed. In mid 1998, the situation reversed. It was Iraq that reportedly took the initiative during a time of intensifying U.S. pressure.

The commission documents that in March 1998, there was a visit to Iraq by two al Qaeda members to meet with Iraqi intelligence. It also documents the July 1998 Iraqi delegation that traveled to Afghanistan to meet first with the Taliban and then with bin Laden. Iraqi officials also offered bin Laden a safe haven in Iraq, according to the report, in 1999.

The connection between Iraq, Saddam Hussein, bin Laden and al Qaeda is well placed in the report that we have before us today. And specifically, too, it cites in the report that Saddam Hussein's regime tolerated and may have even helped Ansar al-Islam, the al

Qaeda sponsor group in northern Iraq affiliated with the senior al Qaeda associate, Abu Zarqawi.

And of course, it is Abu Zarqawi, who now is leading the terrorist effort in Iraq. And the question that I have is: What is the status of our going after Zarqawi? What is the level of our effort and prospects of eliminating him as a terrorist threat?

Secretary WOLFOWITZ. Of course, Zarqawi was one of the principal subjects of Secretary Powell's presentation to the U.N. Security Council in February of 2003.

And I believe also among the things, you cited a lot that is in that report, I think the report also mentions the whole information, evidence, I don't know what word you want to use, connecting bin Laden and Iraq and the Al-Shifa plant in Sudan that was targeted in 1998 in response to the attack on our embassies in East Africa.

There is some room for debate about whether Zarqawi is a member of al Qaeda or an associate of al Qaeda. It seems to me that is the kind of debate that leads you down the wrong rabbit hole.

These terrorists may have their stovepipes, too. But they have managed to work across those stovepipes. Zarqawi was running a terrorist training camp in Afghanistan until we drove him out, and then he went to Iraq.

He had some relationship with the old regime. It is not clear exactly what. But what is clear, unfortunately, is that he is a major terrorist in Iraq today. Maybe it is diverted him from some of his global plans, which he was engaged in before this war.

But he claims responsibility, And we think, with some validity, for some of the major bombings, including the bombing of the U.N. headquarters, the bombing of the mosque in Najaf that killed Abdul Aziz al-Hakim.

He may not be the most numerous of our enemies. But he is certainly one of the most lethal. And we have captured some dozens of people in his network. We still haven't got him. But he is very, if not the top, certainly one of the top two on our target list.

General Pace, do you want to add anything?

General PACE. No, sir. I think what you said is exactly right. He is, in fact, the object of a great amount of intelligence focus and operational execution.

Mr. WILSON OF SOUTH CAROLINA. And wouldn't it be fair to say that an authoritarian regime, a totalitarian regime, wouldn't allow a person to locate in their capital, like Baghdad, without the complicity of the regime?

Secretary WOLFOWITZ. I find it hard to imagine. And I think we have recognized when we talk about these subjects, it is not as though we know everything about these people. In fact, we know a fraction of what is there.

But certainly, there are a lot of indications that they knew he was there. They knew he was around. In fact, the Jordanians asked to have him to extradited because remember he was involved in the millennium plot in Jordan. He is also involved in the murder of our Agency for International Developement (AID) director in Jordan, Mr. Foley. When the Jordanians asked to have him extradited in the middle of 2002, he simply disappeared into another country for a little while.

So it would seem that he had been tipped off.

Mr. WILSON OF SOUTH CAROLINA. Again, thank you very much. And we are very, very grateful for your leadership and very, very grateful for our troops.

God bless you.

Secretary WOLFOWITZ. Thank you.

The CHAIRMAN. I thank the gentleman.

The gentleman from New York, Mr. Israel.

Mr. ISRAEL. Thank you, Mr. Chairman.

I have two questions. One of General Brown, and then I would like to reserve enough time to ask Secretary Wolfowitz about Saudi Arabia.

General Brown, perhaps you can help clarify something for me. In responding to Ms. Davis' question about NID, you stated that you wouldn't want any additional impediments getting in the way of good intelligence at the street level.

One of the 9/11 Commission recommendations is that Special Operations Command should assume responsibility for both covert and clandestine paramilitary operations and that the Central Intelligence Agency should no longer conduct such operations.

Now it seems to me, that is as streamlined and as expeditious as one can get. So does your review, in response to Ms. Davis' question, effectively endorse that 9/11 Commission recommendation?

General BROWN. What I would say about that is, first of all, we have a great working relationship with the CIA. I mean, it really is a good working relationship today.

We believe that in the Special Operations Command, we have capabilities that can do those kind of operations. But we also think there are some things that the CIA ought to continue to do. And so I think the bottom line is it is a very complex issue.

We need to go through all of the second-and third-order effects of what exactly it means if, in fact, we were to pick up those kind of operations, and then make a good solid decision to ensure that we are maximizing both the capability of USSOCOM and the Central Intelligence Agency.

Mr. WILSON OF SOUTH CAROLINA. At this point then, is it fair to say that you don't necessarily endorse or oppose that particular recommendation?

General BROWN. I think, sir, it is fair to say that I just think we need more study on it.

Mr. WILSON OF SOUTH CAROLINA. Okay, thank you, General.

Secretary Wolfowitz, with respect to Saudi Arabia, the 9/11 Commission specifically mentioned Saudi Arabia, Afghanistan, Pakistan. You alluded to it in your testimony.

The Saudi regime, not long ago, held up a Barbie doll as an example of a Jewish, Zionist conspiracy that was undermining Saudi values. The regimes continues to fund evangelical madrassas that teach the Koran, but without any view of modernity: the most virulent strain that instructs its followers that there is no alternative, that the destruction of the United States, no alternative to the destruction of Israel.

You in your testimony talk about the fact, you acknowledge the fact that the Saudis need to make progress on democratization, pluralism, empowerment. How do we measure that progress? And at what point do we make a determination that there is insufficient

progress? And then what strategies do we use in order to facilitate progress on those issues?

Secretary WOLFOWITZ. I wish there was a simple answer. I think there is no question that the issues you raise are very real ones. I think also we can go back and say that the Saudis turned a relatively blind eye to a lot of activities that they thought might bother other people, but wouldn't end up biting them.

And, as I said in my opening statement, I think May 12th was a wake-up call for them. But it also is a reminder to us that the terrorists would like nothing better than to bring down that government and replace it with something that would make that government look like the Golden Age.

I think we have had a record over many years of engaging with governments that we have had the challenge, South Korea is a good example, of trying to protect them from a threat that was far worse than anything they might be doing, and at the same time, push them and encourage them to reform.

And I think we have been successful in a great many places in doing that. And I think that is part of the key in Saudi Arabia.

It is calling attention to the kind of statement you just made. Embarrassment is one way to move people. It is developing the kinds of relationships with the Saudi military that I think our people have been developing over 20 years. And I don't mean that everything is perfect or that I like every Saudi general. But I think our influence on them is a positive influence.

And then I suppose you have to be grateful for the wake-up call they got on May 12th, because if it had waited much longer, I think we could have seen something much worse in Saudi Arabia.

Mr. WILSON OF SOUTH CAROLINA. General Pace.

General PACE. Sir, may I add to what General Brown said, which is that, in my opinion, the missions that the CIA does in a paramilitary way can certainly be done by his superb soldiers, sailors in the Special Operations Command.

The question is: Does this nation want its military to conduct those missions? And I would recommend we, as a leadership, that we take a look at a type mission that might be executed as a result of a finding of the United States and determine whether or not it would make sense or if you would want your military to do that type of mission for you.

Mr. WILSON OF SOUTH CAROLINA. Thank you, sir. And thank you, Mr. Chairman.

The CHAIRMAN. I thank the gentlemen.

General Brown, a number of your operations are a combination of agency folks and USSOCOM personnel, are they not?

General BROWN. We do run some operations in concert with the CIA——

The CHAIRMAN. You do partner up——

General BROWN. Right.

The CHAIRMAN. Thank you.

The gentleman from New Hampshire, Mr. Bradley.

Mr. BRADLEY. Thank you both, all three of you very much for being here today.

Two somewhat different questions. We haven't focused at all on Iran today. There has been some level of cooperation with regard

to nuclear weapons in Iran, the possibility of some further diplomatic initiatives, but also rumors of covert activity.

Congressman Hamilton, when he testified before us, said that the largest threat that he saw was the threat of a terrorist organization having nuclear weapons. So perhaps you could comment on Iran and terrorism and the nuclear issue.

And also, I don't know that I have heard any of the three of you comment specifically on the NID and the recommendation of the 9/11 Commission on this director having budget authority and the authority to hire and fire. So those are my questions.

Thank you.

Secretary WOLFOWITZ. On the subject of Iran, I mean, it is clearly a country that poses both kinds of problems, both its pursuit of weapons of mass destruction and its use of terrorism as an instrument of national policy.

I think maybe because I have watched what has taken place to their east and to their west in Afghanistan and Iraq, they have become more cautious at least, I think, in their support for terrorism recently, which doesn't mean that they have abandoned it, which doesn't mean that problem has gone away.

Even with respect to al Qaeda, they play at best a kind of ambiguous role. They certainly could be doing more to help. That is an understatement.

And, as you know, the International Atomic Energy Agency has recently found them in significant departure from their commitments in their nonproliferation treaty.

The best hope I think for real change in Iran, I mean, we have to keep up the pressure, the international community has to keep up the pressure on the weapons of mass destruction (WMD) issues, in particular.

There is a great deal of ferment inside Iran. It is surprising for a country that is as repressive as that one is that there is a relatively large amount of openly expressed dissatisfaction, and some ability, I think, for the Iranian people to exert some influence on their government.

But it is clearly something we are going to have to keep in mind. It is part of this issue. And it has to be addressed over time. We can't do everything at once.

On the question about budget and personnel authority for a national intelligence director, these are very important issues that I think we need to think through. I don't think there is a simple yes or no answer.

I think if you look at the success of Goldwater-Nichols and contributions of members of this committee, in that regard, I think one of the most important changes was putting some requirements into the personnel system that forced people to have joint careers and to develop a kind of common culture.

I think that was done without—Congressman Skelton is more of an expert on this than I am—I think it was done without creating a central personnel director, but creating certain requirements for people to advance.

It seems to me that is at least a kind of model worth thinking about. Because I think the commission has correctly identified the need for more of a common culture among the different intelligence

communities, and I would say particularly between domestic and foreign intelligence.

And General Brown has testified, and any of us could in detail, that there really has been an enormous amount of progress made in over the last 10 years and especially over the last two years in sharing intelligence between the Department of Defense, and CIA in particular, in terms of battlefield tactical coordination. It is not perfect. But I would say it is pretty good.

The biggest challenge comes between domestic an foreign intelligence. And it is not just bureaucratic or turf. It is also because you run into these very fundamental issues about protection of civil liberties, and we have to think it through very carefully.

But I think the more you can get people to understand how the other guy thinks, and maybe by having worked in a job where they have to think that way for a few years, I think you have a real chance of breaking down these stovepipes.

The CHAIRMAN. I thank the gentleman.

Mr. Larsen of Washington.

Mr. LARSEN. Thank you all for taking some time with us this afternoon and, of course, this morning as well.

Just back to this morning, I think I have heard some things reflected that you said this morning, basically along the lines, General Pace and then General Brown said it as well, that the proposal of an NID does not necessarily preclude the warfighter on the ground from getting the information that they need so long as that model, as we walk through that, as long as that model lets you do your jobs.

Is that basically the case, depending on what the model looks like. An agreement, nodding the heads yes. That is great.

I just wonder; I am a state Norwegian, I am not too good at rants and self-righteous indignation, so bear with me on this. The only reason we are here in August, although with the shades drawn and the lights on, it could be February and it could be December. We don't really know what time it is out there.

But the only reason we are here in August is because of this commission report, because of 15 months of work, because of the 9/11 families, because of a lot of witnesses have put a lot of time in it, because of the bipartisan, I would even say nonpartisan, results that came out of the commission.

And if this book didn't mean anything, chapter 12 would be what to do—nothing. And chapter 13 would to do also—nothing.

But they came up with some very strong recommendations based on a lot of work. And I say that because we are talking about what it means to you and it is important obviously what it means to the warfighter on the ground and the issues that we deal with in this committee.

But something went wrong that resulted in September 11th, that the commission concluded we need it fixed. And somebody didn't get the information that they needed to do their job for any number of reasons outlined in the commission report.

So I certainly am respectful of you getting the information that you need and the warfighters getting their information. I am also respectful of everybody who is involved in making sure this country is safer in the future and gets the information they need as well.

General Pace, on this issue of denying sanctuary, if you could just relate to the committee something that we discussed this morning. This has to do with Afghanistan, where folks from the Department were here a few months back and said it would 10 years to train up 70,000 for the Afghan National Army. But previous testimony for Iraq indicated it is either 40,000 new Iraqi army and 35,000 national guard or visa versa would be trained up by late fall of this year at the earliest. At the latest, mid-year next year.

So anywhere from 4.5 months to 10 months in Iraq to get the 75,000, but it is taking us 7 years to get the 70,000 trained army in Afghanistan.

Can you talk about what we are doing differently in Iraq that makes us successful and what we are not doing in Afghanistan that we need to change?

Again, this is important for the denying sanctuary to have an indigenous force on the ground. And I think it is more than flexibility. There is plenty of flexibility, which I think is important. But it is more than that.

Can you explain why there is such a difference in getting people trained up and what we are doing to change that?

General PACE. Yes, sir.

I think we are learning from Afghanistan and Iraq, and we are learning from Iraq and Afghanistan. The more rapid stand-up in Iraq is, one, because we did learn that we should move more quickly in standing up the new Iraqi army. Second, because—I did not say this here this morning, but I have had a chance to think about it a little bit more, sir.

Mr. LARSEN. Sure.

General PACE. There is also that there was a large, 400,000-man standing army in Iraq, that although it dissipated very quickly on the battlefield, still had the basic rudimentary training, knew how to operate in fire teams and squads and platoons and the like.

So putting them together and retraining them to the battalion level is a little easier because they were a standing army.

In Afghanistan, we were training about 10,000 a year. That is not fast enough. The Secretary has told us that is not fast enough. And we are taking the lessons we have learned in Iraq now, transporting them back to Afghanistan and working with Lieutenant General Barno and his team there to come up with a faster fielding plan for the Afghan Army.

So it is a matter of what the objective was and then learning that the objectives should have been set higher in Afghanistan, sir.

Mr. LARSEN. I don't want to send you mixed messages. You and I have also had a conversation before that if you had to train quickly, versus train the capability, you should err on the side of training the capability and making sure that folks are doing to do the job right.

And just, you know, assure me that you are looking at that as well in Afghanistan, that although you find a way to train more quickly, you are still getting capability. You will get the capability that you need.

General PACE. Sir, let me thank you for the opportunity to correct. We will not train the individual soldier in Afghanistan more

quickly. We will train more soldiers at the same time so that we get to the end state quicker.

Mr. LARSEN. Thank you. Thank you, Mr. Chairman.

The CHAIRMAN. I thank the gentleman.

The gentleman from Connecticut, Mr. Simmons.

Mr. SIMMONS. Thank you, Mr. Chairman. And thank you, in particular, for holding these hearings today and tomorrow.

I represent a district that lost people on September 11th. The issues relative to this report are of great interest to my constituency, and I appreciate the fact that this committee is conducting this hearing today.

Secretary Wolfowitz, in your testimony you quoted the President, who said, we will direct every resource at our command, every means of diplomacy, every tool of intelligence to the disruption and to the defeat of the global terror network.

I would like to focus on the issues of the tools of intelligence.

And I note for the record that a new, open-source agency is being recommended by the 9/11 report—open-source intelligence.

I also note for the record that the staff statement number 11 refers to open sources as a bedrock source of information for intelligence, but a capability that was dramatically diminished in the 1990's, for whatever reasons.

It is also my understanding that the USSOCOM has an open-source cell that was established, General, by your predecessor, and that that provides a substantial amount of all-source intelligence at a relatively low cost. I have not been down to see that; I do not know whether that is the case.

But my question goes to the issue of open sources of intelligence. We know that open sources of intelligence are useful. We know that they are not just newspaper clippings or the translation of radio broadcasts.

And as an example, I would like to show this chart, which is the Natanz uranium-enrichment facility in Iran, 2002, before 2004, after they buried the uranium-enrichment facility.

I used to work down at the National Photographic Interpretation Center. These things were covered with classified stats and statements and caveats. This is produced by the Space Imaging Eurasia. This is open-source. This is unclassified.

And the amazing thing about some of these open-source capabilities that we have today is, you can deploy troops with these images in their possession. They are not secret. They are not top secret. They are Not Releasable to Foreign Nationals (NOFORN). And so they are very transportable.

And you can bring in other people from around the world, liaison military. They are not NOFORN. I mean we can all stand around and look at them and study them.

So for me the open-source capabilities are tremendously important. And yet the Army intelligence devotes one line to open source, and basically says it is not an intelligence discipline, it is not an intelligence discipline. It is a category of information, which I disagree with completely.

So my question, General Brown, is from the experience of your command in using open source, what lessons can we learn from that? How can we better incorporate this category or this tool of

intelligence into the war on terrorism into the nine sanctuaries, et cetera?

And my question to you, Mr. Secretary, is, as a matter of policy, will the Defense Department incorporate open-source intelligence as the discipline to further enhance our capabilities to conduct the war on terrorism?

General BROWN. Sir, I think it is an important tool. And we look at open-source data. And it is part of the process down at Special Operations Command and our joint intelligence center.

And I would just say, I think you are exactly right. We do think it is one of the tools for analysis. It is very useful information. And we do that.

Mr. SIMMONS. Is it cost-effective, General?

General BROWN. I would think it is very cost effective, sir.

Mr. SIMMONS. And is it not correct that if you were to be deploying forces on a very short notice to go after a terrorist target that the open-source intelligence does not provide all of the burdensome security regulations and sharing and transporting this information, that it is exportable on an almost immediate basis, which has certain operational advantages?

General BROWN. Open-source data is much more usable. Obviously, it is not detailed or in a lot of cases does not have the fidelity that some classified sources would have. But open-source data is very usable, very user friendly. And we do use it.

Mr. SIMMONS. Thank you.

Secretary WOLFOWITZ. And I would say sometimes it is even more reliable. And I risk getting myself in trouble here.

Mr. SIMMONS. Just keep talking. [Laughter.]

Secretary WOLFOWITZ. You know, I would prefer to read a State Department cable that said we had a conversation with gentleman X who told us the following things. And you can find out who gentleman X is and you can find out why he might be telling you those things and whether he is deceiving you or not. It is the reliable source, someone whose information has previously been corroborated.

I am not saying you can avoid that, but I am saying it is a mistake to assume that because something is super-secret and we paid somebody for the information, and we polygraphed them and all of that, that it is therefore necessarily more reliable that something that it is a little more out in the open and therefore checkable.

I think all sources of information are part of understanding the problem. And if someone says it is not part of the intelligence discipline, it seems to me they are sort of defining themselves as a kind of medical specialist might. I mean, I do not go to a surgeon to get treatments for dermatological problems. But I want an intelligence community that can look at the whole subject matter.

And I had not heard that phrase before, but I will look into it. You might ask Secretary Cambone when he is here tomorrow.

Mr. SIMMONS. I would be happy to do that. I do also have a letter to General Schoomaker on that subject, because I think that again, at a time when we are trying to look at the total picture of what happened on 9/11 and at a time when we are trying to resolve some of the weaknesses that we have in our intelligence community, the failure to use open-source intelligence, I think, is a huge failure.

And that is why I ask for the record if this was the policy of the Defense Department to use this capability. I know it is being used very successfully by the Special Operations Command.

But I am puzzled as to why it is excluded from the Army's intelligence Field Manual (FM) as being anything of any value.

And I thank you for your answer.

The CHAIRMAN. I thank the gentleman.

The gentleman from Tennessee, Mr. Cooper.

Mr. COOPER. Thank you, Mr. Chairman.

I have nothing but praise for our military, but I am increasingly worried about the Pentagon civilian leadership. I would like to ask in plain English—because I have listened now for several hours today—whether the Pentagon is going to put its weight behind the recommendation of the 9/11 Commission. Because I am very worried. We are hearing a lot of sweet talking and slow walking here that could result in this window of opportunity for fundamental reform and long-overdue reform and much needed reform of our intelligence institutions to take place.

I hope that is not the case. But after the breakfast this morning, and after a lot of back and forth today, I am very worried that you all politely have a kill in for the recommendations of the 9/11 Commission.

I hope I am wrong, and I want to give you the opportunity to correct the impression I received.

Secretary WOLFOWITZ. I am not sure what gave you that impression. I think, and I think I have said it here, I believe the 9/11 commission has correctly identified some important areas where can we do a lot better when it comes to intelligence and some changes that need to be made.

Saying taking a little bit of time to think through those changes so that we make them the right way should not be interpreted as changing slowly. I think if you look at the kinds of failures to share intelligence that clearly contributed to a failure on 9/11, you cannot say that is something you want to overcome slowly. You need to overcome it quickly.

A lot of effort actually has gone into already dealing within, I think, the recommendations of the commission.

Mr. COOPER. Mr. Secretary, the Pentagon can act quickly when it wants to. Have Pentagon lawyers been tasked to draft provisions that could be in legislation that this committee could look at and vote on in debate? Have Pentagon lawyers been engaged to begin that process?

Secretary WOLFOWITZ. The process is being led, I think as it should be, by the National Security Council staff. And we are participating in that. And General Pace and I were in a meeting just yesterday talking——

Mr. COOPER. Is that a yes or a no? Are Pentagon lawyers working on legislative provisions to implement the 9/11 Commission right now?

Secretary WOLFOWITZ. As part of an agency process, yes.

Mr. COOPER. They are working on it right now.

Secretary WOLFOWITZ. Yes.

Mr. COOPER. When can we look forward to seeing their work product?

Secretary WOLFOWITZ. I cannot tell you that. I do not know.

Mr. COOPER. There is no timetable. There is no expectation.

Secretary WOLFOWITZ. I know people are trying to produce something that can be looked at—they are on a short time fuse, not a long one.

Mr. COOPER. And short means——

Secretary WOLFOWITZ. This is not a Pentagon responsibility. This is an inter-agency responsibility in which we are participating.

Mr. COOPER. But you raised some specific concerns, very valid concerns about tactical and strategic intelligence and usefulness to troops. We all support our warfighters. Can we work out these difference?

If you listened to the earlier panel, they showed great, good faith and willingness to compromise and work out any possible glitch going, for example, line by line through the JMIP funding to make sure that the needs of the warfighter were taken care of.

Is the Pentagon willing to show a similar good faith in this negotiation?

Secretary WOLFOWITZ. Absolutely. I think these are problems we can work our way through.

Mr. COOPER. When?

Secretary WOLFOWITZ. Sooner, rather than later, I hope.

Mr. COOPER. This year? This month?

Secretary WOLFOWITZ. Congressman Cooper, I cannot determine when it happens.

Mr. COOPER. You are the boss, or one of the bosses.

Secretary WOLFOWITZ. No, I am not. This is a decision that has to go to the President. We are talking about legislation that affects the entire government.

We are putting our shoulder to the wheel and trying to make this move as fast as possible. And I think as fast as possible means in this session of Congress. But it is not up to me to decide.

Mr. COOPER. I hope as fast as possible is fast enough because the commission on a bipartisan unanimous basis said this is urgent for our national security if the American people are going to be safe.

Let me ask a specific question: This is yesterday's Washington Times. This is the headline having to do with your buddy, Chalabi.

Now, you have denied that he is a personal favorite. But this newspaper continues to identify him as a Pentagon favorite. They issued an arrest warrant for him on counterfeiting charges and an arrest warrant for his nephew on murder charges.

And the man wanted on counterfeiting charges was apparently contacted on vacation in Tehran. This is the gentleman the Pentagon apparently allowed to sit next to the first lady of the United States at this year's State of the Union message. What is going on here? Is this an example of——

Secretary WOLFOWITZ. Mr. Cooper, he is not a Pentagon favorite. We did not decide where he sat in the——

Mr. COOPER. Why does the Washington Times say so?

Secretary WOLFOWITZ. You have to ask them. We have tried, as a government and as a Department over many years, including in the last Administration, to deal with anybody who supported the goal of liberation of Iraq, which I would remind you was the product of bipartisan legislation in this Congress.

It was a policy supported by the Clinton Administration as well as this Administration. It has meant dealing with Mr. Chalabi. It has meant dealing with Mr. Talibani. It has meant dealing with Mr. Barzani. It has meant dealing with Mr. Pachachi. It has meant dealing with Abdul Aziz al-Hakim.

Mr. COOPER. You trust this man?

Secretary WOLFOWITZ. I do not think in that part of the world you should trust anybody. I think President Reagan——

Mr. COOPER. Should we have paid him $400 million, as apparently we have done?

Secretary WOLFOWITZ. I do not know where you got that number from. I am not aware of it.

The CHAIRMAN. The gentleman has reached his five minutes.

And the gentleman from Virginia, Mr. Forbes.

Mr. SKELTON. Mr. Chairman, may I follow through the question at this point?

The CHAIRMAN. Yes, go ahead.

Mr. SKELTON. Mr. Secretary, are you familiar with the testimony of General Jack Keene, who testified here I think about three weeks ago? When we asked that question about why we went into Iraq, and he said this is as nearly a quote as I can get: That we were seduced by Iraqi exiles.

Are you familiar with that?

Secretary WOLFOWITZ. No, I am not.

Mr. SKELTON. Do you agree with him?

Secretary WOLFOWITZ. No, I do not think we were seduced.

The CHAIRMAN. I thank the gentleman.

The gentleman, the gentleman from Virginia, Mr. Forbes.

Mr. FORBES. Thank you, Mr. Chairman.

And thank you, Mr. Secretary, Generals.

I want to echo what Congressman Wilson said earlier, and that is to thank you for the many successes that you have had. One of the things that seems certain from all of the testimony that we had heard is that the resources you have are limited and that the threats out there are unlimited. So I think as many times as you have come here, we could find some other threat that you have not covered, something that we could badger you with.

One of things that you always get when you come before a committee like this is you get legislation, you try to put it through with no hearings, we hear people screaming: You are rushing this through; we are not having hearings.

If you have the hearings then you hear people say: You are not moving fast enough.

One of the things that we saw in the commission report, for example, was a recommendation that we had standards for birth certificates and sources of identification for drivers' licenses. But in 1996, we tried to get the illegal immigration reform and immigrant responsibility act, which would have done just that, many of the people that are now screaming that we put all of these reforms in, fought against this and got those things taken out of there. And certainly that is something that is important to several of us because seven out of the 19 hijackers obtained false drivers' licenses in Virginia.

But Mr. Secretary, what I would like to ask you about today, in addition to thanking you for what you have done, is a technology question. And if you don't have the answer today, if you could get back with it, that would be fine. But as I mentioned earlier, one of the things we heard from the previous panel, one of the things that I know that you have stated before, is that your resources are limited, and yet the threat is out there, of the sanctuaries almost unlimited, of where we are trying to deal with.

Every time I hear about joint training and I hear about transformation and joint operational training, it seems like one of the best opportunities we have out there, and perhaps one of the best-kept secrets we have, is our ability to do modeling, simulation and visualization.

And my question for you is: How are we utilizing that great technology, which I think we are just on the tip of the iceberg in doing that. How are we using that in our war against terror?

And is there more that we, as Congress, can do to help further that technology so that it can be more useful? Because I firmly believe it will save lives, it will save time, it will save money, it will help us make those intelligent choices that we need to make.

Are we doing enough?

Secretary WOLFOWITZ. I think it is one of the strong reasons for having a national intelligence director.

I think you can talk about the danger of overcentralization, but I think if you want to have information shared, you need to have some degree of common information systems.

I think military would tell you that the effect of Goldwater-Nichols and the whole development of the joint arena has greatly improved our ability to communicate between different services. It is not perfect yet, but it is enormous progress over 10 years.

I think a similar kind of common information technology within the intelligence community is something that is badly needed.

And I think; I am not sure of the right terminology here, you want a kind of open architecture, which requires some degree of a centralization of standards. That does not mean that all the information gets sucked into the center; in fact, it gets pushed out to the edges more.

We have enormous possibilities in this whole area of intelligence sharing because of what technology makes possible. And you no longer have to think about intelligence fusion created by having six individuals from six different agencies occupying a common office in Washington, D.C., or anywhere physically in the world. You can share information across thousands of miles of difference because of what you can do with information technology. And you can have it sitting there, so that when someone has a question that nobody thought of before, instead of having to go back and create an intelligence tasking, the first thing they can do is do a data-mining effort. And they may discover that somebody collected that information for them already without having been tasked.

So I think information technology is hugely important here. I think it ought to be one of the major missions of the NID, is to achieve more seamless movement of information, at least so that we are not dealing with technological barriers that are from the industrial age any longer.

General PACE. If I might add, sir, not only is technology and information use very powerful in planning the attack, it is also very powerful in analyzing your own vulnerabilities.

And when the Nation begins discussing domestic intelligence and the commission's recommendations with regard to that, I think technology can help us a great deal in that arena, as well.

Mr. FORBES. Mr. Chairman, if I could just ask, Mr. Secretary, you do not need to respond to this, but if you could perhaps even look into—we are doing it great with the Joint Forces Command and the technology there. But what the modeling and the simulation and visualization is allowing us to do now is to take all the data that we have and actually look into the future of what will happen with different scenarios.

It gives us a great opportunity to forecast, a great opportunity to predict where our risks are going to be. And I believe, with a little more bump, that technology can save tremendous lives and really help us to pinpoint where we want to focus our resources.

So I just think that is a great opportunity for us to explore and look at in the future.

The CHAIRMAN. I thank the gentleman.

And Mr. Marshall is going to ask the next question, but I would just advise the committee that, since you have all been working through lunch and dinner, we do have sandwiches outside in the anteroom for anybody who wants to get them. And I have it on good information that Mr. Chalabi did not provide these sandwiches——

[Laughter.]

The CHAIRMAN [continuing]. To the Armed Services Committee.

Mr. Marshall, you are recognized.

Mr. MARSHALL. Thank you, Mr. Chairman.

Actually, Mr. Cooper asked the question that I was going to ask, and it had to do with how the Pentagon—I was not necessarily going to ask it as Mr. Cooper asked it——

[Laughter.]

Mr. MARSHALL [continuing]. But how the Pentagon was going to respond to the 9/11 report.

At the earlier panel's presentation, Mr. Weldon went into some detail concerning efforts to reform our intelligence community in the past, and very passionately explained that an awful lot of the 9/11 recommendations are recommendations that have been on the table for years, and nothing has been done. Sort of, death by a thousand cuts, as we analyze these things and nothing gets done.

And in my view, we are going to get hit. It is not a matter of whether we are. We are going to get hit. The question is simply when, where, how, how hard.

I mean, at that point, I suspect people will be pointing to whether it is the 9/11 Commission's recommendations or other recommendations. They will be pointing to recommendations that were made, not enacted, because we delayed and possibly recommendations that had they been acted upon, were recommendations that could have resulted in maybe a different outcome.

So, you know, if we do not get to it fairly soon, I suspect we are going to be getting to it after the next crisis. And I think that is

a shame. I think we need to get to this before we have another crisis.

I will not ask that question.

Transformation of DOD, the military generally, here we are talking about how we can best deny sanctuary to terrorists. And it seems to me in the transformation process, as I have understood that process so far and heard descriptions of what we plan to do, an awful lot of it is just DOD-centered. Some of it is just service-centered, and most of it is conventional.

And yet here we have a threat facing us that is pretty clearly unconventional, goes well beyond DOD. In fact, I think it goes well beyond our abilities as Americans to effectively address without having very good relations, very effective relations, with allies across the world. People complain about the schools of America, I frankly think we have to have more rather than less where those kinds of things are concerned.

A lot of people think that we should be growing our Army. I frankly think that the security situation in Iraq may even be better if we had a smaller number of troops deployed and use some of the resources that would be saved differently.

And so, I just make the observation that I am concerned about the direction transformation is taking right now. It seems to be as the intelligence community seems to be wed in the process of the past when we are facing a new threat of the future.

One specific question. Army transformation; well pardon me, back up, increasing the size of the force in the current defense authorization bill, I understand there is not just authorization increasing the size of the force, but a direction that that be done. I hope that is not the case. I hope that gets changed before it comes out of conference. I hope you all are working on that.

I would like to see authorization. And I would, frankly, like to see any increase paid for by supplemental funds rather than regular budget funds, given the problems that will occur down the road if we increase the size of our force and we are wed to it in a current budget.

I would be happy to have any comments.

Secretary WOLFOWITZ. I will just comment briefly, and maybe if the generals want to. The Army, I think, has a very thoughtful, well-considered plan to basically increase it combat capability by some 50 percent with only a temporary increase in personnel.

They do need that temporary increase. But as you say it can be funded out of supplementals.

I think it is an example of what you can do when you think out of the box and you think about changing organizational structures. In the case of the Army, looking at separate brigade combat teams is the core organizing principles, so they go from 33 today to 43 or possibly as many as 48 with only a modest increase in personnel requirements.

And that is because they have an eye too on the problem you elude to, which is if you simple increase personnel when you do not need them, you are incurring a huge additional cost for the future that will come at the expense of other things the Army needs.

Mr. MARSHALL. I will make one more observation, since I have just a little bit more time. There are so many countries that in this

kind of combat have a comparative advantage over us. They are more familiar with terrorism. Gosh, I mean, it gets to the point where we have potential allies out there who can actually drink the water in Iraq, where our soldier cannot.

And it just seems to me that thinking along those lines is critically important for us if we are going to be successful in denying sanctuary to terrorists in the long run.

Secretary WOLFOWITZ. I agree with that.

The CHAIRMAN. I thank the gentleman.

The gentlelady from New Mexico, Mrs. Wilson.

Mrs. WILSON OF NEW MEXICO. Thank you, Mr. Chairman.

I wanted to start out by saying that I, like many of my colleagues, found this report to be a very valuable contribution, particularly in two respects. One, of course, was global strategy. I think it probably is the best encapsulation in one place that we have seen for some time, and also focusing on the issue of sharing of information.

Of course there are some issues that are not addressed in this report that are addressed in others, some from this committee, some from the Senate, and the Senate Intelligence Committee report, which focuses on groupthink, issues of continuity of government, the collection of intelligence, the focus on HUMINT, which are not part of this report.

They think all of us on this committee realize that we are probably only going to have one shot at getting legislation to reorganize the intelligence community to look at and address all of these different problems.

And the reality is that sometimes if you come up with a recommendation to focus on one problem, you may exacerbate others and that there are often tensions between these.

That particularly concerns me with the issue of sharing of information or going toward unified operations or jointness and the contrary problem of group-think, because I think there is some tension there and that the 9/11 report does not really address that problem of how do you institutionalize imagination or is that just an oxymoron or how can you empower iconoclasts? There is really no mentioning in the report of things like red teams or competitive analysis or those kinds of structures which organizationally might be very different from unified command, if you will.

And I wonder, particularly Paul, if you have given some thought to this and what kinds of mechanisms could we put in place to create an environment within whatever structure it is, stovepipes or unified command or a horizontal sharing of information, that will create the culture that we want of constant questioning.

Secretary WOLFOWITZ. It is an important thing to aim at in principal. I mean, I don't think it is driven mainly by organization. I mean, you could imagine a national intelligence director who institutionalizes group-think if you like. You could imagine a NID who forces people to put their differences up on the table. I think it is personality-driven and culture-driven.

And to a considerable extent, it is driven by consumers. If consumers want uncertainty that the intelligence world can't produce, they will tend to get it. If they get impatient with people saying, "We are not sure what the answer is here, it could be A or it could

be B," I mean, obviously you will go crazy if you get too much of that. But if you say, "Go home and come up with an agreement," you will get an agreement, and it will tend toward group-think.

So I guess I would put it this way: I think the commission has made a strong case for having somebody with the authority to break down the stovepipes, somebody with the authority to create common information technology. And I actually think having that should improve the ability to do competitive analysis if people ask for it, because everybody will know what the FBI knows about anthrax, let's say, and everybody will know what National Security Agency (NSA) knows about the communications someone has engaged in.

I shouldn't say everybody. I mean, if this stuff weren't highly sensitive, you wouldn't have the problems arising in the first place. But at least across those stovepipes, people will have an ability to take the information someone else has to develop a competitive analysis.

I think you will do a lot better that way. But it is going to require direction to push that up. And it is going to require consumers who demand it rather than who say, "Tell me the answer," as though there is a single answer.

I think one of the things that is generally poorly understood about this whole business is that it is not science. I mean, we get mesmerized by the fact that we can read license plate numbers from space, and it is pretty impressive. But the amount that we don't know is enormous. And I think it was the Senate Select Committee on Inteligence report that pointed out part of our problem in Iraq was we didn't have any human intelligence at all. Part of our problem in al Qaeda is we don't have any human intelligence at all.

How many times do you want to get briefed on al Qaeda and be reminded we don't have any human sources so we are making some guesses here? But you need to keep being reminded of what we don't know as well as what we do know.

Mrs. WILSON OF NEW MEXICO. I will ask a follow-up on that issue of who the customers are. And it seems to me there are, kind of, generally for intelligence two groups of customers: There are the policy-makers and there are the warfighters. And different organizational structures or guidelines can emphasize one group over the other with respect to resources.

And one of the things that I want to make sure is, you know, all of us up here want to know everything all the time. But I think it is this committee in particular that needs to make sure that General Brown's guys have the information they need when they need it and particularly when that has to do with tasking of assets that are currently under DOD's control.

How would you envision under this recommended change a conflict would get resolved when a national intelligence director directs an asset currently within DOD's structure to do one thing and the Undersecretary of Defense for Intelligence or the warfighter needs something else? And the Undersecretary for Intelligence, what does he do? He has got two masters. How does that get resolved?

Secretary WOLFOWITZ. Of course, we have that issue today. I mean, we have very important assets that we depend on that, in fact, belong to the Director of Central Intelligence (DCI).

I am going to ask General Brown or General Pace to comment here, but, I mean, I think there is not a formula. There needs to be a great deal of communication so that ultimately people understand what those relative priorities are. And then on the tough calls, there are going to have to be decisions made. And I think that is, in part, also what that national intelligence director needs to do.

General PACE. I think there is an opportunity here as well as a problem. The opportunity is that, the way I envision the proposal, is that the national intelligence director would have the responsibility to ensure that, take an example, a specific intelligence fact that has tactical value, operational value and strategic value, which many of them do today, that his system collects that and disseminates it to each of the current organizations that are responsible.

And so, that the organization, DIA, for example, is responsible to make sure that PFC Pace has that data at the same time that the organization, CIA, that is responsible to the National Security Council, has the data so that the facts are the same, the analysis may be different, but the feed to the proper consumer is done quickly and efficiently.

Where the problem comes in is, as you mentioned, if there is, in fact, a time when you have more need than capacity and if the subordinate organization believes that they are being improperly tasked, in my opinion, the proper place to take that then is to the National Security Council for the principals to determine what is correct and what is not.

But that would be my guess two, five percent of the time. Ninety-five percent of the time or better the individual at the NID responsible would be controlling an organization that would be much more efficient.

The CHAIRMAN. I thank the gentlelady.

The gentleman from Florida, Mr. Meek.

Mr. MEEK. Thank you, Mr. Chairman.

Secretary, good to have you before the committee again.

General Pace, always good to see you.

And, General Brown, it is a pleasure seeing you again, sir. Thank you for your hospitality down in Tampa.

There are a couple of things. Mr. Secretary, I took a look at your testimony, and I was actually watching it. I was in the back there. And then I read it. And I noted Mr. Cooper asked a number of pointed questions on timelines on how serious the Administration may be. And so, since you are the highest ranking appointed individual sitting at the table in the Defense Department, is there a real effort on adopting the 9/11 Commission recommendations?

And I tell you the reason why there is some interest in saying, "Well, maybe that is not the case." There are not a lot of top-line Cabinet secretaries running to the Hill trying to meet with Members of Congress saying, "We have to move this report." The President didn't call us down, the committees who have met before us or this committee that is meeting this week. I am on the House

Homeland Security Select Committee; they haven't called us and said, "Hey, we need to talk about this because we need to get to moving on this report."

And I think that, as we look at history as it relates to intelligence, as it relates to some of the report that was displayed by one of our other members when the chair and the co-chair were here and the panel before you about how many reports and revamping our intelligence across the board and how they were ignored, all the way from 1995 to this point, it was almost, in so many words, "What makes this different?" There was some reference of the bureaucracy of the intelligence community and what role they play in really trying to lead the Congress in that direction.

I am concerned, and I think the American people need to be also concerned about this, because, unlike those reports, the 9/11 Commission actually has been around for some 18 months. There are Members of Congress that fought for its creation. There are some members that fought against it. The President had some sharp words against it at one point. But I am glad that he is now recognizing their work.

But they had testimony from firefighters, from victim families, from actual victims that were injured in 9/11, from intelligence, FBI, CIA, past Presidents, past CIA directors, what have you. Some of it was very embarrassing for this country to see how we are open-chested on many of these issues.

The fact that we drove into this Capitol, I don't know if it happened for you as you were driving in, you know, two or three checkpoints before you could even make it to this hearing room by vehicle. And for us not to have a sense or urgency from the administration is concerning to me and also, I am pretty sure, to many Members of the Congress.

Also, I feel that the message should be delivered to Secretary Rumsfeld; I am sorry that he couldn't be here. And I don't know the reason why or if we didn't invite him, what have you. That is another issue, that if we don't act, and those of us that are dealing with defense issues and national security issues, others will act for us. When I say others, I am saying other committees that may not cover the Department of Defense on an everyday basis.

So if we are going to, if our lawyers, like Mr. Cooper said, are not taking a front seat, need it be whoever is spearheading it outside of the National Security Council or what have you, we are going to find ourselves in the dust. And I think we all in this room hold the troops, the men and women that are in the field, paramount, their security, their safety. And taken from page four of your testimony, when you speak of the axis of evil and then you go and you say, "We seek a just and peaceful world beyond the war on terror," that feeds into what the 9/11 report is talking about and it embodies it.

In your written testimony, you speak very flowerly about their report and how they have exposed a lot of things that need to be addressed. But the whole issue is the timeline. So I am hoping and also praying that we can come together as professionals in this process and try to push this 9/11 Commission report and probably push aside some of the arguments that we are hearing now.

Because I also heard it. I have been around. And thank you for being here earlier today. I thank everyone for being around and supplying the information. But I believe that the American people don't have to sit and watch another terror event take place and then someone looks at page whatever it may be of the 9/11 report and says, "It was right here in black and white, Members of Congress had it, senior officials had it, and they didn't move with a sense of urgency."

So I just wanted to just share that with you, Mr. Secretary, saying that that is important. And hopefully you can take that back to the Pentagon and also to the administration that some of us, you know, here on the Hill want to move as soon as possible.

Secretary WOLFOWITZ. Congressman Meek, I appreciate your sense of urgency. I hope you appreciate ours. We think this is an urgent matter. In fact, there has been an awful lot of change that has been undertaken over the last two and a half years. We didn't just wait for a report to change things. If anything, Secretary Rumsfeld's reputation is perhaps occasionally changing a little bit too much. I wouldn't agree with that characterization. But he is certainly not known as a patient man.

The President has already decided that the central recommendation of having a national intelligence director is something he wants to do and people have been called back, frankly, from vacation and leave to work on how to do that.

I think he also decided, and I would agree with him even if he weren't my boss, that it is not a good idea to have that position located in the White House. So not every detail of what the commission recommended should be adopted lock, stock and barrel.

But that it should be approached with a sense of urgency, I absolutely agree with you.

And if I might, Mr. Chairman, too, since I may have said something to be misinterpreted in answering Mr. Cooper earlier, I didn't imply there is no one in that part of the world that is trustworthy. I did mean to say that nobody should be trusted blindly and that we make a big mistake if we think we can simply decide who we are going to work with based on who we like.

And we need to recognize it is a tough environment, people have multiple interests, multiple agendas. Most of the people that we are dealing with had to survive in one way or another, whether inside Iraq or outside Iraq in the face of one of the most ruthless dictators in the world.

So it is a more complicated environment, I think, than anything we would be used to, even the most rough and tumble American politics. But I certainly don't mean to cast aspersions on people's character in a broad sense. I just think we need to have our eyes open. And I think we do.

The CHAIRMAN. I thank the gentleman.

And the gentleman from New Jersey, Mr. Lobiondo.

Mr. LOBIONDO. Thank you, Mr. Chairman.

Mr. Secretary, General Pace, General Brown, thank you for being here. In your assessment or in your opinion, what are the outstanding terrorist threats that maybe we haven't dealt with and/or sanctuaries that we haven't dealt with? And is the DOD likely to take any action? Or is there something we can expect in this area?

Secretary WOLFOWITZ. There is certainly a lot that we are dealing with that we haven't dealt with in the sense of completing the job.

There is the whole problem, the whole challenge of sleeper cells in the United States and in a number of European countries. Where we find them, we go after them. But we should be under no illusion that we have them all.

Another major challenge, which I referred to in my testimony, is that ungoverned, semi-governed area in Northwestern Pakistan. It is truly wild country. Control of the government up there is fairly limited. And we think that possibly Osama bin Laden himself could be hiding up there. So we can't say we have dealt with it. And I think we have a strategy for dealing with it.

That strategy includes everything from an enormous increase in our foreign assistance for Pakistan. I was just noticing, I think, in the year 2000, we had dropped our foreign assistance to Pakistan down to $ 4 million a year. And our request for this year is $700 million.

That is part of a strategy for dealing with that ungoverned area in Pakistan. But it is only part. Working with the Pakistani military in a cooperative way is part. Sharing intelligence is part.

This is going to be a very long, tough struggle against an enemy that has dug itself in all over the world over a considerable period of time. So there are a lot of problems that are going to take time to deal with.

Mr. LOBIONDO. Are you continuing to be pleased with the level of cooperation from Pakistan?

Secretary WOLFOWITZ. Yes. If I had to give a short answer, the answer is yes. Is it perfect? No.

And I think there is a lesson there, too. And I don't want to excuse every mistake of theirs, but I think by cutting off the Pakistani military as we did for a long period of time we made it more difficult to work with them. And I think that ought to be lesson as we think about how we deal with other countries where the relationships are imperfect, like Uzbekistan, for example.

I think I referred to it earlier: We had this challenge during the Cold War in dealing with the government in Korea that left a lot to be desired. But it was very important to work with that government, not only so that the North Koreans didn't take over, but I think in the long run by working with that government, we were able to bring about positive change. And I think that is the way in which you have to work with a country like Pakistan.

Mr. LOBIONDO. And how would you categorize our relationship with Turkey as it relates to dealing with these specific problems with terrorists and their level of cooperation?

Secretary WOLFOWITZ. I think the relationship with Turkey in that respect and many other respects is very good. They are people that take the terrorism threat very seriously.

As you may remember, I think it was as recently as this past spring, the terrorists attacked. In Istanbul, they attacked some Jewish synagogues and some British diplomatic installations. And I think they probably hoped that they would create splits within Turkish society. And they had exactly the opposite effect. The

Turks are tough people, and they rallied around and pulled together. And they are very good allies in this war.

Mr. LoBiondo. Do we have military-to-military exchanges with Turkey and Pakistan?

Secretary Wolfowitz. Very close ones with Turkey and developing ones with Pakistan.

Mr. LoBiondo. Thank you, Mr. Chairman.

The Chairman. I thank the gentleman.

The gentleman from South Carolina, Mr. Spratt.

Mr. Spratt. Thank you, Mr. Chairman.

And to our three witnesses, thank you very much, not only for your testimony, but for your perseverance. We appreciate it.

The three of you seemed to stress primarily what we have accomplished. I can understand that: put the best face on how far we have come and what we have done. But you do that at the risk of understating the gravity of what lies ahead of us.

I want to read to you just briefly some excerpts from the commission's report in dealing with Afghanistan, which is the original sanctuary. In fact, they call it an incubator as opposed to a sanctuary.

They acknowledge, however, that there is reason for hope for the people of Afghanistan. But they go on to say, "grave concerns remain. Taliban and al Qaeda fighters have regrouped in the south and southeast, warlords control much of the country beyond Kabul and the land is awash in weapons. Economic development remains a distant hope. The narcotics trade, long a massive sector of the Afghan economy, is again booming. Even the most hardened aid workers refuse to operate in many regions and some warn that Afghanistan is on the brink of chaos."

What are we doing? This is their assessment: "The United States has largely stayed out of the central government's struggle with dissident warlords and has largely avoided confronting the related problem of narco-trafficking."

It makes the recommendation that we make a long-term, substantial commitment to Afghanistan. And then it acknowledged, "This is an ambitious recommendation." It acknowledges that National Atlantic Treaty Organization (NATO) and the U.S. have committed ourselves to the region. But it raises the questions whether or not we are up to the task, saying, "The institutional commitments of NATO and the United Nations to these enterprises, civil military teams engaged in development, are weak. NATO member states are not following through. Some of the other states around the world that have pledged assistance to Afghanistan are not fulfilling their pledges.

"The U.S. presence in Afghanistan is oriented overwhelmingly toward military and security work. The State Department presence is woefully understaffed. The military mission is narrowly focused on al Qaeda and Taliban remnants in the north and southeast."

Then with respect to Pakistan, which is next door in the same turf in many respects, they note, "The endemic poverty, widespread corruption and often ineffective government create opportunities for Islamic recruitment." And they go on to say that, "The country's vast unpoliced regions make Pakistan attractive to extremists seeking refuge." And they take Karachi as an example and say that:

"Our presence here is extremely overstretched." The consulate in Karachi they describe as, "a makeshift fortress reflecting the gravity of the situation surrounding this area."

You know all this, I am certain. I am just saying when you read this, it didn't sound nearly, granted, everything we have accomplished is substantial. And I commend our troops and commend you for your leadership in doing it. But we have a lot of work that lies ahead of us.

And when I read this report, I think of the resources that it is going to require. And I ask myself, "How do we redeploy these resources?" because we are reaching the limits of what we can afford as a budget, given a deficit of $400 billion to $500 billion a year. Sooner or later, that has to be dealt with.

How do we redeploy the assets just to deal with these two countries, which clearly are the critical sanctuary countries that must be dealt with before we can realistically talk about major efforts anywhere else? Where do the resources come from to do this?

For example, under Pakistan, they go so far as to say we need to increase military assistance and even help them build a public educational system because the madrassa schools are themselves sources of Islamic extremism and even poisonous instruction about Western values.

How do we begin to tackle this problems without a far more significant commitment of resources, manpower and money than we have made thus far?

Secretary WOLFOWITZ. The problems are big. And I think I have tried to emphasize that they are. And I think when the President talks about this being a long and global struggle, he is comparing it to something like the Cold War.

We are a country at war. We are a country that has been attacked. These challenges are huge.

I think one also should be realistic, particularly in a country like Afghanistan, as to how fast progress can be made. A lot has happened. A lot has changed. A lot more needs to be done. But it is not going to happen overnight, even if you poured 50,000 troops and billions and billions of dollars.

In fact, General Franks was the first one to caution, and I think correctly, against the dangers of becoming an occupying army in Afghanistan and having exactly the opposite effect of what we want to achieve.

We can talk about the glass partly full, we can talk about the glass partly empty and argue about how much it is. But the glass is filling up. There are many more resources going into those two countries than we had two or three years ago, vastly more. I think I mentioned the figure of $4 million in aid to Pakistan in the year 2000 and it is a $700 million request today.

I think other countries do have an obligation to step up and do more. And that includes the wealthy Arab countries of the Gulf. It also includes our European partners, who often are a bit more ready to say things sometimes than to do things. Although many of them are contributing. Little New Zealand is actually running a provincial reconstruction team in a remote city in Afghanistan.

So there is a lot going on. Has it solved the problems of drug lords? Absolutely not. Is it going to solve it tomorrow or next year? No.

But is Afghanistan on the right course? I think it is. Is Pakistan on the right course? It is actually a little more precarious because the problems in Pakistan are bigger.

Mr. SPRATT. This is what the report says. This means, and I take this to be present tense, "redoubled effort to secure the country, disarm militias and curtail the warlord rule." I didn't hear that in anybody's testimony today. I mean, I didn't hear you calling us to step up to that level of action. Redouble our commitment.

Secretary WOLFOWITZ. I am not sure what redouble means exactly.

Mr. SPRATT. It means——

Secretary WOLFOWITZ. General Pace referred to the fact that when Secretary Rumsfeld was presented with this plan for building up 70,000 Afghan national army in seven years, he has said that is not fast enough. And he wants to look at how it can be done faster. And we are looking at how it can be done faster. And if it needs more resources, where we can find the resources.

So nobody is sitting on their hands or going slow.

The CHAIRMAN. I thank the gentleman.

And I thank the panel.

We have three more people that need to ask their questions.

Mr. Ryan.

Mr. RYAN. Thank you, Mr. Chairman and Mr. Skelton, too, for calling this hearing. I think this is one of the major roles and major responsibilities that we have, especially sitting on this committee.

Mr. Spratt brought up, Mr. Secretary, a little bit about Afghanistan and some of the narcotics issues. Do you believe that the narcotics issue is a major component to the war on terror, at least those that are coming out of Afghanistan?

Secretary WOLFOWITZ. Certainly in Afghanistan, we are very concerned that narcotics can become a source of funding, both for terrorists and for——

Mr. RYAN. Do you think it is now?

Secretary WOLFOWITZ. It is now, yes.

Mr. RYAN. So it is a major component of our war on terror or should be?

Secretary WOLFOWITZ. Eliminating those sources of funding to terrorists and warlords is a significant part of our Afghanistan strategy. That is right.

It is an issue where, by agreement, the United Kingdom has the lead. But we are supporting them strongly, and we are looking at ways in which we can support them more strongly.

Mr. RYAN. I think those comments are consistent. President Bush said, and you cited it in your testimony, that, "We will starve terrorists of funding", which I think drugs would be a major component of that, "we need a strategy of prevention", which I think that would be a major component of that, "and then in the world we have entered, the only path to safety is the path of action." Those are all quotes from the President and I agree.

But we know what the reality is and that is that the poppy crop for this year has been harvested right under our noses. Twenty-

eight out of the 32 provinces are now growing. There are millions of dollars going to the terrorists. I think there must be a communication problem because one of the top American commanders, and I will give you a quote here, said that, "A no-holds-barred drug war led by the U.S. military would distract his troops from their primary mission, the war on terror."

He goes on to say, "We share intelligence with the Afghans, and we destroy drugs and laboratories if we encounter them. But I don't see coalition military forces as being the solution. Our primary focus is terrorism."

Now, I asked you if narcotics and the drug money coming from Afghanistan was a primary component of the war on terror and the top commander in Afghanistan is saying that the drugs are not. So there is obviously a communication problem in here and I just want to know how the civilian side in their rhetoric reconciles what is actually going on on the ground.

Secretary WOLFOWITZ. I am not familiar with the quote or which general you are quoting. But if the idea is——

Mr. RYAN. General Barno.

Secretary WOLFOWITZ [continuing]. A no-holds barred war on drugs that would say we go around and our primary mission is to destroy drugs, we are not going to defeat drugs in Afghanistan, not with 10,000 troops or 20,000 troops or 100,000 troops.

The key to defeating drugs in Afghanistan is, I believe, primarily assisting the central government to develop an economy that provides alternatives to farmers; is secondarily, but quite importantly, building up the capability of Afghan police and the Afghan army to deal with this problem themselves so that we don't become a hated occupier that goes around destroying farmers' poppy fields. And it does mean, as General Barno said, going after laboratories and traffickers where we can find them. And we look at how we can improve that effort.

But once again, if you set a mark on the wall that we, the United States military by itself, is going to eliminate drugs in Afghanistan in a year or two, it can't be done.

Mr. RYAN. Mr. Secretary, with all due respect, I am not saying eliminate all the drugs. I am just saying try. I mean, we are not even trying.

Secretary WOLFOWITZ. No, we are trying. We are trying in what we think is an intelligent way.

Mr. RYAN. How can we be trying if the crop is harvested right under our nose? The whole year's worth of crop, General Myers told me when he was here last time. And either we don't have enough troops, or we don't care.

Secretary WOLFOWITZ. Do you know how big Afghanistan is? Do you know what the terrain is like? Do you think we should have troops covering the whole country so that we can eradicate the poppy crops? It is not a practical or wise course of action.

Mr. RYAN. Why did you say it was a primary component of the war on terror?

Secretary WOLFOWITZ. It is, and we are not going to be completely successful at it this year or next year.

I think we have a strategy to build up Afghan capacity, to build up economic alternatives. And I think that is the only thing that has a chance of working.

Mr. RYAN. All a lot of us are saying, Mr. Secretary, is that we are spending close to $200 billion, we have 130,000 troops in Iraq, we broke Afghanistan, and we are having trouble——

Secretary WOLFOWITZ. Congressman, we didn't break Afghanistan. The Soviets broke Afghanistan. The Taliban broke Afghanistan. I would say, considering how short a time we have been there, we have done an amazingly good job at helping the Afghans begin to put it back together.

Mr. RYAN. Mr. Secretary, we have done nothing with the drug issue. We have done nothing. $2.5 billion, half of their gross domestic product (GDP) : How can you say we are doing something with the drug problem in Afghanistan? And it is going to the drug lords and then al Qaeda, millions of dollars.

Secretary WOLFOWITZ. Congressman, if you think you can solve the problems of Afghanistan that are created after 25 years of invasion and civil war in a year or two, then I don't think you know the country very well.

Mr. RYAN. I am not saying I could solve the problem. All I am saying is we should be trying.

The CHAIRMAN. I want to thank the gentleman for his question. We have a couple folks left. And I would just remind him that we are not able to eradicate the drug crops in our own national forests and we have a pretty sizable military operation that undertakes for that.

The gentleman from Illinois.

Mr. RYAN. All I am saying, Mr. Chairman, is that we should be trying. It is half the GDP there, and I don't think we are making the effort necessary.

The CHAIRMAN. We will get for the gentleman a written description of what has been done this year and what is blueprinted for next year.

And the gentleman from Illinois, Mr. Evans.

Mr. EVANS. Thank you, Mr. Chairman.

I want to point out to my colleagues that one of the problems we face is, as we did in Iran, we had very few people in the State Department or the DOD that were fluent in Farsi or other Arabic languages. It means that we don't have the military intelligence that we need to make our case. But it means that we can't make the case for going out and meeting people, fighting for this language requirement.

I think the Marine Corps now has 200 people, I am told, General?

General PACE. Yes, sir.

Mr. EVANS. Could you describe that program?

General PACE. Sir, I cannot speak for the Marine Corps. And I know they have a program ongoing, but I am not embedded in the Marine Corps right now.

But I would like to endorse what you are saying, which is that we must, inside the military and inside our other government organizations like the Department of State, foster, encourage, promote based on area knowledge and language capability.

We are going to be at this war on terrorism for decades. We know the types of languages right now that we do not have enough of, and we need to start cultivating our youngsters today. As our lieutenants and privates are graduating from their basic training, we need to start putting a portion of them onto tracks that will get them to the point where 10 years from now we have the number of requisite linguists that are missing today.

Mr. EVANS. All right.

Thank you, Mr. Chairman.

General BROWN. Could I add that in Special Operations Command, especially in our special forces units, no one graduates from the course until they are language-capable. We run an open language system where we pick the languages we want our Green Berets, our SOF soldiers to learn. And you will not graduate from the course until you can speak a foreign language.

So while we are a very small force, we think language is critically important, as you do. And so we are pressing very hard on our language requirement for our Green Berets.

We have just recently started that also with our SEALs, giving them the opportunity but not making it a requirement yet.

The CHAIRMAN. I thank the gentleman.

And now the gentleman who traveled from China for this hearing, the gentleman from Texas, the very distinguished Mr. Ortiz.

Mr. ORTIZ. Thank you, Mr. Chairman. I am proud that I have been able to stay awake this long. [Laughter.]

Mr. Secretary, thank you.

General Pace, General Brown.

The CHAIRMAN. Well, I think Mr. Cooper's cross-examination was pretty exciting. That should have livened you up a little bit.

Mr. ORTIZ. No, it is not their problem. It is my problem.

But let me ask, Mr. Secretary, the administration's preemption policy that is laid out in September 2002, the national security strategy lists three actions we will take to support a decision to act preemptively. And one of them was: "building better, more integrated intelligence capabilities to provide timely, accurate information on threats wherever they may emerge; coordinating closely with allies to form a common assessment of the most dangerous threats; and three, to continue to transform our military forces to ensure our ability to conduct rapid and precise operations to achieve desired results."

Now, this preemption strategy requires good intelligence as its basis. My question is, has the Administration revised the preemptive policy to deal with the lessons of Iraq, particularly in light of the flaws in intelligence structure and substance pointed out by the 9/11 Commission? Do you feel a necessity to go back and revisit the policies that were laid down September 2002? Or do you feel very confident that they are working?

Secretary WOLFOWITZ. I guess I would say I think that word "preemptive," which puts the focus on military action, I think is too narrow. And I think, as I said in my statement and as the commission says in its report, I think that what we are really talking about is a strategy of prevention.

And prevention is much broader than the military. The military can play a role. And, in fact, I mean, without being used, I think

in the case of Libya, the military played a very important role in producing a very important diplomatic gain in getting Gadhafi to give up his illegal weapons.

But I think we are dealing with something that is not primarily dealt with by military means. And as I said in my opening statement, as the commission says very clearly, I think the long-term means of prevention is, in fact, by creating some real hope in that part of the world to counter what is the message of the terrorists, which is, "There is no hope and you might as well become a martyr."

In fact, it is striking if you read some of their terrorist literature, they say, "If democracy succeeds in the Muslim world or succeeds in Iraq or Afghanistan, people will come to love life too much and fear death and be unwilling to commit jihad." It is a bizarre and horrible expression of the way they think, but I think it says something about where our strength is and where our success can be.

Mr. ORTIZ. I see that my time is up. Thank you very much for being with us today.

Thank you, Secretary.

Secretary WOLFOWITZ. Thank you.

The CHAIRMAN. Well, Mr. Ortiz, thank you. And thank you for making that extra effort to be here.

And our witnesses would like to leave at 6:30, so we will make the last question here with the Ranking Member, the gentleman from Missouri.

Mr. SKELTON. Mr. Secretary, did you not used to teach, college, university?

Secretary WOLFOWITZ. Yes, a long time ago.

Mr. SKELTON. And what would you do to a student who got his or her report to you 6 months late that was due on a given date?

Secretary WOLFOWITZ. Probably——

Mr. SKELTON. February 15, Mr. Secretary, the national military strategy document was to be sent to us. That document hopefully has something in it regarding sanctuaries, failed states and the like. And I think it would have helped our hearing a great deal if we had had that document by now some six months late.

Let me end with this, if I may. Mr. Secretary, Iraq was not a major haven for terrorists before the war but it risks becoming one now. The commission's report warns that if Iraq becomes a failed state, it will go to the top of the list of places that are breeding grounds for attacks against Americans at home.

How many foreign, al Qaeda or other anti-U.S. terrorists have entered Iraq since Operation Iraqi Freedom commenced?

Secretary WOLFOWITZ. There is a lot of debate about numbers here and it is hard to get precise numbers.

We know that some hundreds of foreign fighters, and that doesn't mean al Qaeda; it means non-Iraqi, usually Arabs—have come into the country primarily through Syria. Some of them may be al Qaeda, but I think very few that we have actually identified as being actually al Qaeda. But some hundreds of foreign terrorists.

Mr. SKELTON. The last question: If we are unsuccessful in creating a stable, representative Iraq, what risks does it pose to American national security?

Secretary WOLFOWITZ. I agree with what the commission says: It is very important we succeed in Iraq so that it doesn't become a sanctuary for terrorists.

It was that. It was a state that supported terrorists. It was a state that had ungoverned territories where al Qaeda-related and al Qaeda terrorists were harbored in Northern Iraq. It was a serious problem in that regard. It could become more serious if we fail. It is very important that we succeed.

Mr. SKELTON. Thank you so much.

The CHAIRMAN. I thank the gentleman.

Secretary WOLFOWITZ. Mr. Skelton, I will look into why the delay on getting an answer.

Mr. SKELTON. I don't think an F on your report card would look very good, Mr. Wolfowitz.

Secretary WOLFOWITZ. I try to get it up to at least a C minus.

Mr. SKELTON. Thank you.

Mr. LARSON. Would the ranking member yield for five seconds?

Mr. SKELTON. You bet. You bet.

Mr. LARSON. I also taught college and sometimes you would file an incomplete. [Laughter.]

Secretary WOLFOWITZ. We would like to get a passing grade.

The CHAIRMAN. Mr. Secretary and General Brown, General Pace, thank you for bearing with us here.

And we are going to wrap up. We are going to start our tele-committee at 9 tomorrow morning. We will have Deputy Secretary for Intelligence Cambone; General Odierno, who a lot of us met with in Iraq when he was head of the 4th Division; and Admiral Jacoby, head of DIA. So that is our line up for manana.

Thanks for sticking with us. We appreciate it.

And the hearing is adjourned.

[Whereupon, at 6:41 p.m., the committee was adjourned.]

APPENDIX

August 10, 2004

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

AUGUST 10, 2004

OPENING REMARKS OF CHAIRMAN HUNTER

Denying Terrorists Sanctuary

August 10, 2004

We're meeting for our second hearing today to discuss the 9/11 Commission's specific recommendation to deny terrorists sanctuary. Our witnesses this afternoon are:

Honorable Paul D. Wolfowitz
Deputy Secretary of Defense

General Peter Pace, USMC
Vice Chairman, Joint Chiefs of Staff

General Bryan D. Brown, USA
Commander, U.S. Special Operations Command

Gentlemen, thank you for coming. We appreciate your appearance before the committee.

The 9/11 Commission highlighted the need to keep terrorists on the run and deny them opportunities to establish bases, train,

recruit, and plan. It further recommended identifying real and potential sanctuaries, and making a long-term commitment to Pakistan and Afghanistan while reconfiguring our relationship with Saudi Arabia.

While we can all agree on the importance of denying our enemies sanctuary, the trick is to make the recommendation real. The commission report is a little vague on that point. It does not tell us how to handle states that sponsor terrorist acts or harbor terrorist leaders, such as Iraq under Saddam Hussein, Iran, Syria, Cuba, North Korea, the Sudan, or Libya.

The Commission did not recommend what to do in the Philippines or Indonesia, where groups allied with Al Qaeda routinely commit murder and mayhem in the name of extremist Islam and governments struggle to crush violence while learning how to respect democracy and individual rights. It did not recommend what to do in the great ungoverned spaces south of the

Sahara desert, where terrorists are known to have roamed. While it can be argued that this was beyond the Commission's charter, it doesn't make it less important. Ultimately, deciding what to do on these policy questions -- and acting on them – is a lot harder than moving around boxes on the federal organizational chart.

The good news is that the Administration, Congress, and the Commission agreed on the importance of eliminating terrorist sanctuaries and we have been doing just that since September 11th. Acting with a group of international partners and with the approval of Congress, our armed forces have eliminated the regimes of the Taliban and Saddam Hussein, both of which sponsored and harbored international terrorists.

Some have argued that Operation Iraqi Freedom was a distraction from the war on terror, but there should be no doubt Saddam's Iraq was a source of international terrorism. He supported homicide bombers financially, while harboring Abu

Nidal, Abu Abbas and Abdul Rahman Yasin, who was implicated in the 1993 attack on the World Trade Center. In the 1990s, the Commission notes a series of high-level contacts between Iraq and Al Qaeda, including a possible Iraqi offer of safe harbor in 1999. Clearly, that safe harbor is gone and the Iraqi government is working with us today to prevent it from returning.

Through military training and assistance, the United States is also helping the Philippines and a group of African nations to bring the ungoverned space south of the Sahara under control, denying those areas to terrorists. In other words, the Administration is using the tools at its disposal to eliminate terrorist sanctuaries, from military assistance, to diplomacy, and—when diplomacy and sanctions fail—by using force.

The Commission raised important issues in its discussion of rewiring Congress and the Executive Branch. The media has focused on that question and we'll hear more on that score

tomorrow. But, more important, the Commission made it clear that our strategy must change facts on the ground. That is what today's hearing is about. I look forward to hearing how our witnesses think we should continue to implement the commission's recommendations on terrorist sanctuaries.

But first, let me recognize the committee's ranking Democrat, Mr. Skelton, for any remarks he may wish to make.

The entirety of our witnesses' prepared statements will be entered into the record.

Opening Statement for The Honorable Ike Skelton (D-MO),
Full Committee Hearing on Denying Terrorist Sanctuaries: Policy and Operational Implications for the U.S. Military
August 10, 2004

Thank you, Mr. Chairman. I join you in welcoming Secretary Wolfowitz, General Pace, and General Brown. Gentlemen, thank you for being here. We had a very productive session earlier with Chairman Kean and Vice-Chairman Hamilton. I think it sets the stage extremely well for our discussion at this hearing.

The Commission wisely points out that the issue of denying terrorist sanctuaries must be part of any comprehensive strategy to deal with terrorism. The

Department's Quadrennial Defense Review did deal with this issue back in September 2001, but the war on terror was just getting started then. The Department and the military services have taken quite a few actions since that time to root out sanctuaries, and I am sure that your testimony will cover some of those initiatives.

But a comprehensive strategy that sets priorities is still needed, as the Commission points out. This committee has been waiting to receive the National Military Strategy, including its classified annexes, since it was due back on February 15. That document should deal in more detail with our strategy for denying terrorists' sanctuary. Mr. Secretary, I am

told the document has been awaiting the Secretary's approval for some time. I hope you will tell us when we can expect the strategy and how it deals with the issue of sanctuaries.

Prioritizing our approach to terrorist sanctuaries is critical. To my mind, a failure to prioritize correctly is putting Afghanistan at risk of again descending into a viper's nest of terrorism. By focusing our attention so much on Iraq, we have lost sight of the primary battleground among terrorist sanctuaries. Iraq has become a terrorist haven since the war, and we must win there too.

We must renew our commitment to Afghanistan because the trends there are extremely dangerous. We

are hunting al Qaeda in the south and southeast of the country. Yet we are not dealing with some of the more long-term problems that are getting more entrenched all the time. The warlords continue to hold considerable power. The narcotics trade is now estimated to be about half of Afghanistan's gross domestic product. Recent conservative estimates of the amount of drug money going to al Qaeda are in the millions of dollars.

There is a clear linkage in Afghanistan between narcotics, the warlords, al Qaeda, and the future stability of Afghanistan. We have to deal with the entire problem and we need a comprehensive strategy to do it. This strategy must have enough troops and

financial resources for the long-term. This committee is committed to finding the extra end-strength that will sustain this mission and the others we need. If we don't, a successful Afghan national election in October won't matter because the country will sink back into a terrorist snake pit over time.

Mr. Secretary, General Pace, General Brown, thank you for your testimony and for your service. Thank you, Mr. Chairman.

Opening Statement
of Deputy Secretary of Defense Paul Wolfowitz
Before the House Armed Services Committee
Tuesday, August 10, 2004

I. INTRODUCTION

- Mr. Chairman, Congressman Skelton, Members of the Committee. Thank you for this opportunity to appear before you today.

- Joining me are General Peter Pace, Vice Chairman of the Joint Chiefs of Staff, and General Doug Brown, Commander of SOCOM, U.S. Special Operations Command.

- On behalf of all of DoD, I would like to begin by thanking the Committee for your support of our men and women in uniform. They serve our country well, and they derive enormous encouragement from the knowledge that their sacrifices are appreciated by Congress and by the American people. So thank you for that support.

II. ELIMINATING TERRORIST SANCTUARIES

- The purpose of today's hearing is to address the subject of denying sanctuary to terrorists, which forms one of the core recommendations of Chapter 12 of the Commission Report. Tomorrow's hearing will address Chapter 13 and its recommendations on intelligence reform.

- The 9/11 Commission's July 2004 report offers an excellent assessment of the threat the United States faces and the actions that must be taken to deal with that threat. I would like to recall four conclusions in particular that I think bear repeating and should inform discussion in both the legislative and executive branches over how to improve our capabilities to deal with the threat.

- Importantly, the Commission found that:

  - "Bin Laden and Islamist terrorists mean exactly what they say: to them America is the font of all evil, the 'head of the snake,' and it must be converted or destroyed. It is not a position with which Americans can bargain or negotiate. With it there is no common ground – not even respect for life – on which to begin a dialogue. It can only be destroyed or utterly isolated." (Commission Report, page 362)

- A second key emphasis in the report that bears repeating is the need to employ all instruments of national power in this war. According to the Commission:

  - "Long-term success demands the use of all elements of national power: diplomacy, intelligence, covert action, law enforcement, economic policy, foreign aid, public diplomacy, and homeland defense. If we favor one tool while neglecting others, we leave ourselves vulnerable and we weaken our national effort." (Committee Report, pages 363-364)

- Third, the Commission rightly concluded that U.S. borders and the world's oceans no longer afforded protection at home, and that the conflict we face today is global in its nature, and the struggle will be a long-term one.

  - "We need to design a balanced strategy for the long haul, to attack terrorists and prevent their ranks from swelling while at the same time protecting our country against future attacks." (Commission Report, Preface, page xvi)

  - "9/11 has taught us that terrorism against American interests 'over there' should be regarded just as we regard terrorism against America 'over here.' In this same sense, the American homeland is the planet.... In the twentieth century, strategists focused on the world's great industrial heartlands. In the twenty-first, the focus is in the opposite direction, toward remote regions and failing states. The United States has to find ways to extend its reach, straining the limits of its influence." (Commission Report, pages 362, 367)

- Fourth, this leads to the conclusion that is the starting point of today's hearing, that drying up sanctuaries, wherever they may exist, is the lynchpin of a successful strategy.

  - "To find sanctuary, terrorist organizations have fled to some of the least governed, most lawless places in the world.... The U.S. government must identify and prioritize actual or potential terrorist sanctuaries. For each, it should have a realistic strategy to keep possible terrorists insecure and on the run, using all elements of national power. We should reach out, listen to, and work with other countries that can help." (Commission Report, page 366-367)

- These conclusions lead to the overall observation that success in the struggle requires more than punishing terrorist actions after the fact and more than just a defensive strategy. As the Commission says,

- "Certainly the strategy should include offensive operations to counter terrorism. Terrorists should no longer find safe haven where their organizations can grow and flourish. America's strategy should be a coalition strategy, that includes Muslim nations as partners in its development and implementation.
  Our effort should be accompanied by a preventive strategy that is as much, or more, political as it is military....
  Our strategy should also include defenses.... No defenses are perfect. But ... [d]efenses also complicate the plans of attackers, increasing their risks of discovery and failure." (Commission Report, page 364)

III. THE PRESIDENT'S CONCLUSIONS FOLLOWING 9/11

- In important respects, these conclusions of the Commission reaffirm some of the most important conclusions reached by the President and his Administration in the weeks following 9/11.

- From the very first week of the crisis, the President declared his intention to employ all of the resources at his disposal. In his speech to Congress and the nation on September 20, 2001, he said:

  - "We will direct every resource at our command – every means of diplomacy, every tool of intelligence, every instrument of law enforcement, every financial influence, and every necessary weapon of war – to the disruption and to the defeat of the global terror network."

- In the same speech, nine days after the attacks on New York and the Pentagon, the President predicted that the war on terror would be a long one, and it would be global. He said:

  - "Our war on terror begins with al Qaeda, but it does not end there. It will not end until every terrorist group of global reach has been found, stopped and defeated.... Our response involves far more than instant retaliation and isolated strikes. Americans should not expect one battle, but a lengthy campaign, unlike any other we have ever seen...."

- The President said further that defense against terrorist attacks, while necessary, was not adequate. This would be an offensive war:

  - "We will take defensive measures against terrorism to protect Americans.... These measures are essential. But the only way to defeat terrorism as a threat to our way of life is to stop it, eliminate it, and destroy it where it grows."

- That meant denying the terrorists sanctuary. In his speech to Congress, the President said:
  - "We will starve terrorists of funding, turn them one against another, drive them from place to place, until there is no refuge or no rest."
- Overall, the law enforcement approach which attempts to stop terrorism by punishment or retaliation after a terrorist event has occurred is no longer good enough. We need a strategy of prevention.
  - As the President told the graduating cadets at West Point on June 1, 2002, "If we wait for threats to fully materialize, we will have waited too long.... We must take the battle to the enemy, disrupt his plans, and confront the worst threats before they emerge. In the world we have entered, the only path to safety is the path of action."

IV. A FORWARD STRATEGY OF FREEDOM

- One draws similar conclusions from the President's early response to the 9/11 attacks and the conclusions of the 9/11 Commission: We cannot afford to continue to rely on a reactive, law enforcement approach to dealing with the threat of another major terrorist attack. That strategy in the post-9/11 world is no longer sufficient. Instead, we must adopt a strategy of prevention.
- But prevention means more than killing or capturing terrorists.
- Victory in the war on terror requires sowing the seeds of hope, particularly in the broader Middle East.
- In his January 2002 State of the Union Address, where he spoke of the "axis of evil," President Bush also referred to what he called "the forward strategy of freedom," which would deprive the terrorists and their organizations of the sanctuary they need. He said, "America will take the side of brave men and women who advocate these values around the world, including the Islamic world, because we have a greater objective than eliminating threats and containing resentment. We seek a just and peaceful world beyond the war on terror."

- The President took this principle much further last fall. In his speech marking the 20th anniversary of the National Endowment for Democracy on November 6, 2003, and then again in London, the President said that we must work with our partners in the Greater Middle East and around the world to promote tolerance, rule of law, political and economic openness, and the extension of greater opportunities so that all people – men and women alike, Muslim and non-Muslim – can realize their full potential.

- As he said in his speech in London, "The democratic progress we've seen in the Middle East was not imposed from abroad, and neither will the greater progress we hope to see. Freedom, by definition, must be chosen, and defended by those who choose it. Our part, as free nations, is to ally ourselves with reform, wherever it occurs."

- The 9/11 Commission came to a similar conclusion, referring to "tolerance, the rule of law, political and economic openness, the extension of greater opportunities to women," adding that "these cures must come from within Muslim societies themselves. The United States must support such developments." (Commission Report, pages 362-363)

- In short, there is agreement that terrorism must be eradicated and discarded, just as piracy and the slave trade were de-legitimized and driven to the margins of civilized life in the past. The extremist ideology the terrorists espouse must be pushed to the margins of civilized society and replaced by a hopeful vision of freedom. This is an ambitious goal, but the threat we face is also enormous and unprecedented.

- Mr. Chairman, our enemies' strength is their ability to kill innocent people but that is also their weakness. Theirs is a cult of death, not life. Reducing the grievances that feed terrorism means offering a vision of life and hope to counter the terrorists' vision of death and despair.

V. KINDS OF SANCTUARY

- The issue of sanctuary was described by former Secretary of State George Shultz in a speech in January, 2002, only a few months after 9/11. He said, "Terrorists can't exist in any meaningful way unless they have a place where they can train, where they can plan, where they can gather their equipment together, where they can do all the different kinds of things you have to do to make sustained, coordinated attacks."

- That is the kind of geographical sanctuary that terrorists enjoy when they are harbored by sympathetic regimes like Afghanistan under the Taliban and Iraq under Saddam Hussein.

- Geographical sanctuary is also found in the vast ungoverned regions in the world, areas that are beyond governmental control. Typically they involve notoriously difficult terrain, far removed from population centers, in countries with fragile governments.

- But there are other kinds of sanctuary as well:

  - We know that the 9-11 terrorists themselves were able to create a kind of sanctuary inside the United States and other democratic countries, exploiting the very freedom and openness they were attacking in order to hide their evil plans.

  - There is also "ideological sanctuary," which our enemies enjoy when extremist clerics provide cover by sanctioning terrorism, by recruiting new adherents, and by intimidating moderate clerics from speaking out against them.

  - Lastly, there is what we might call "cyber sanctuary," a reference to the "space" that exists through communications networks made possible by modern technology. It is essentially an unregulated medium which is especially attractive to terrorist organizations that exist across international boundaries. This tool -- which enables so much good -- also provides terrorists with the ability to conceal their identities, to move large amounts of money, to encrypt messages, and to plan and even conduct operations remotely.

- Our goal should be to reduce the space in which terrorists find sanctuary to the maximum extent possible. There should be no room in this world for governments that support terrorism, no ungoverned areas where terrorists can operate with impunity, no easy opportunities for terrorists to abuse the freedoms of democratic societies, no ideological sanctuary, and no free pass to exploit the technologies of communications to serve terrorist ends. Approaching this goal will take time, and it will not be easy. It will involve difficult decisions about resources, it will require balancing diplomacy and the use of force, it will require protecting civil liberties while reducing the ability of terrorists to operate in our midst.

- Perhaps above all, success requires expanding the appeal of freedom and democracy to take away terrorism's ideological sanctuary. That is why the idea of democracy and freedom taking hold in places like Iraq poses such a threat to terrorists. The now-infamous terrorist, Abu Musab al-Zarqawi, understood this danger when he wrote: "Democracy is coming, and there will be no excuse thereafter. We pack our bags and search for another land … because our enemy is growing stronger and his intelligence data are increasing day by day…. [T]his is suffocation."

VI. GEOGRAPHIC APPROACH

- The 9/11 Commission Report identified three important countries as "illustrations" of the global nature of the war on terror and the different means for denying sanctuary to terrorists. Those countries are Afghanistan, Pakistan, and Saudi Arabia. They illustrate how we have used various instruments of national power to dry up our enemies' sanctuaries.

  1. **Afghanistan** began with a stunning military success. Although diplomatic means were tried, the military option is critical when dealing with implacable governments like the Taliban and Saddam Hussein.

     - By taking the war directly to the enemy in Afghanistan, the U.S. military removed the Taliban regime from power in an operation that lasted less than two months, with less than 3 weeks time to plan a military operation 7,000 miles away from our shores and with a force dramatically and intentionally different from the massive occupation force that the Soviet Union deployed. It was an extraordinary achievement that has produced significant results both in Afghanistan and elsewhere.

     - Today, presidential elections are on track in Afghanistan for October 9 and Parliamentary elections for April of 2005. President Karzai set a goal of registering 6 million Afghans, and the United Nations reports that over 9 million have registered across the country. Women account for more than 40 percent of the registered voters.

     - Afghans are developing their own security institutions, capable of responding to internal threats and, with outside assistance, to threats from neighbors.

     - Success in Afghanistan has led to the capture of terrorists elsewhere in the world – first, thanks to evidence that we captured, and second, by forcing al Qaeda terrorists into Pakistan and other places where it has been possible to capture or kill a number of key terrorists.

     - There is still much work to be done in a country that has suffered from 25 years of invasion, civil war, and tyranny. Despite the progress already achieved, Afghanistan's problems will not be solved overnight. What has been achieved in less than three years is remarkable but it is critical that the effort be sustained. The stakes are too great for us not to do so.

2. Success in Afghanistan has also supported **Pakistan** President Musharraf's bold position as a friend of the U.S. That is critical because no leader has taken greater risks, or faces more daunting challenges from within and without, than President Musharraf. Not only was Pakistan's support crucial for success in Afghanistan, but Pakistan's continuing support has brought other gains:

   - Pakistan has become a more hostile environment for the terrorists who sought refuge there from Afghanistan.

   - Since the autumn of 2001, hundreds of suspected al Qaeda operatives have been apprehended with the help of Pakistani authorities, including more than 10 senior terrorist leaders – among them Abu Zabaydah, Khalid Sheikh Mohammed, Ramzi bin al-Shib, Tawfiq bin Attash, Ammar al Baluchi, Abu Musab al Baluchi, and Ahmed Khalfan Ghailani.

   - The capture of terrorist operatives in Pakistan has led to the arrests of key associates in places as distant as London and Chicago, and provided significant new information about terrorist plans.

3. **Saudi Arabia** has long been a key front in the war on terror. It is one of the most important targets of the terrorists today.

   - The May 12 attacks in Riyadh were a wake-up call to the Saudis, alerting them to the fact that they have serious problems.

   - Close U.S.-Saudi cooperation in law enforcement and intelligence has resulted in the killing or capturing of more than 600 individuals during counterterrorism operations, including Abu Bakr al Azdi, Abd al Muhsin al Muqrin, Sultan Jubran al Qhatani, Khalid Ali bin Ali Haji, and Rakan Muhsin Muhammad al Saykhan.

   - The Saudis' counter-terrorist efforts have benefited substantially from the ability of the U.S., following the liberation of Iraq, to remove the burden of supporting a large U.S. military presence on Saudi territory, as the Saudis had to do for 12 years as part of the policy of containing Iraq.

   - It is essential that the U.S. continue to do everything we can to support Saudi Arabia's efforts to eliminate terrorism and its support structures within and without the kingdom.

   - However, it is also essential for Saudi Arabia, as it combats terrorism, also to pursue political development, including the rule of law, promotion of democracy, and respect for human rights.

- The integrated use of all instruments of national power in working with Afghanistan, Pakistan, and Saudi Arabia demonstrates how these instruments can and should be brought to bear to eliminate sanctuaries for terrorists.

- Yet, as important as these countries are, they represent only a part of the global war on terror. Many different agencies of the U.S. Government are engaged in this effort. Through training and assistance programs, DoD elements are actively engaged in the Philippines, Georgia, Bosnia, Yemen, Somalia and the Horn of Africa, West Africa, and in South America, among other places.

- Terrorists see the world as borderless. A geographical strategy to eliminate terrorist sanctuaries also requires us to work across borders more seamlessly ourselves.

VII. THE ROLE OF THE U.S. MILITARY

Direct Military Action

- Our strategy of prevention and elimination of terrorist sanctuaries calls for ending state support for terrorism by diplomatic means where possible, militarily when necessary.

- But we recognize that sometimes the threat of military force is the very best support for diplomacy. The two elements of national power – diplomacy and military force – are mutually reinforcing.

- Even before the 9/11 attacks in the summer of 2001, the Department of Defense's Quadrennial Defense Review identified denying enemy sanctuary as a key objective.

- In Afghanistan and Iraq, we have seen the revolutionary power that comes through the integration of air and ground power and the near-real time fusion of intelligence to take sanctuaries away from our enemies. Using direct military action, the United States was able to remove two despotic regimes from power with astonishing speed.

- The U.S. has also had diplomatic successes in bringing more countries actively into the fight against terrorism and in ending state support for terrorism – whether that support has been direct or indirect. Libya -- which has renounced weapons of mass destruction in the aftermath of the U.S. invasion of Iraq -- is one example.

- But there are other cases in which diplomacy is not enough. The Taliban and Ba'athist regime in Iraq are examples of governments that rejected diplomatic efforts to deal with threats by peaceful means.

- While our preference is for diplomatic solutions, credible military options can strengthen diplomacy.

Strengthening Local Capacity

- U.S. experience in Iraq and Afghanistan also demonstrates that one key to success in eliminating sanctuaries is building local capacity to shore up U.S. friends and to extend governance and security into ungoverned areas. Unconventional warfare, civil affairs, and foreign internal defense activities are essential to build local capacity – the indirect approach.

- Indeed, our most important allies in the war on terrorism will be Muslims who seek freedom and oppose extremism.

- The U.S. and its allies must work with these partners and potential partners and help to build their capacity to counter terrorism and insurgency within their own borders.

- We encourage Congress to provide new authorities and appropriations to support the Department of Defense in its mission. Some of these authorities have been approved in the recent FY '05 Appropriation Bill, but it is important to include them in the Authorization Bill as well.

  - Our $500 million request for authority for training and equipping local security forces – not just armies – to counter terrorism and insurgencies, and to provide greater internal security in areas that are or could become sanctuaries for terrorists.

  - Our $300 million request for authority for Commander's Emergency Response Project funds to help build local capacity of our partners, including helping them to build up their security forces.

  - The President's request for authority to reprogram up to $100 million from existing funds for the Global Peace Operations Initiative to train and equip foreign militaries to conduct peacekeeping and peace enforcement operations. Having more capable forces from other countries means more stability in trouble spots around the world that could provide safe havens for terrorist groups.

- Other roles for the U.S. military:
  - Recruiting immigrant Americans to work in the Department of Defense and other agencies, to deploy and serve as bilingual/bicultural advisors as we work to deny sanctuary to terrorists in unfamiliar areas of the world.
  - Conducting civic action projects that help to win the trust and goodwill of people in lawless areas and turn them into allies.
  - Strengthening critical intelligence support to the warfighter.
  - Dealing effectively with international partners such as Uzbekistan, Pakistan, and Indonesia – all key states in the war on terror, where we need to also encourage internal political and economic reforms, as well as respect for the rule of law and human rights.
  - And employing foreign forces in peace and stability operations, which can lessen the burden on U.S. forces, while helping to reduce environments where terrorists can hide easily.

VIII. GOING BEYOND THE MILITARY

- At the same time, we should do more to eliminate "ideological sanctuary" for international terrorism. This goes beyond military solutions. Specifically, we need to:
  - Amplify Muslim voices that promote freedom and oppose extremist ideologies and ensure adequate resources for those U.S. Government agencies – including State and AID – that have this mission.
  - Develop greater educational opportunities in underdeveloped parts of the world.
  - Encourage private philanthropy and non-governmental organizations to support individuals and organizations that offer genuine alternatives to the extremism which teaches that violent death in jihad is the only option in a life without hope.
  - Continue efforts to help create examples of successful democratic states within the Muslim world. As the President said in his speech to the National Endowment for Democracy, Nov. 6, 2003, "As long as the Middle East remains a place where freedom does not flourish, it will remain a place of stagnation, resentment, and violence ready for export."

- Within the United States itself, encourage greater emphasis on the study of the languages, religions, cultures, and the history of the Muslim world, to develop the cultural understanding and insight that will help us promote the U.S.'s image abroad.

IX. Conclusion

- The 9/11 Commission has produced an important and valuable report which points – correctly – to the issue of sanctuary as pivotal in the global war on terrorism.

- This conclusion reinforces the strategy adopted by the President and the Administration in the wake of the attack on America.

- It is worth recalling the words the President spoke in his address to Congress and the nation nine days after 9/11. He said:

  - "[I]n our grief and anger we have found our mission and our moment. Freedom and fear are at war. The advance of human freedom – the great achievement of our time, and the great hope of every time – now depends on us. Our nation – this generation – will lift a dark threat of violence from our people and our future. We will rally the world to this cause by our efforts, by our courage. We will not tire, we will not falter, and we will not fail."

- Support for freedom and democracy is not the imposition of U.S. values on other people. It is giving other people a chance to decide their own futures. It is not utopian idealism that is divorced from the real world. Rather, it involves harnessing one of the most powerful forces in the world -- the desire of people to be free – which is ultimately our strongest weapon for defeating the extremists who offer nothing but tyranny and death. It is the weapon that won the Cold War, and it is the weapon that will win the war on terror.

- An e-mail which I received a few days ago from someone in Iraq illustrates this point. For someone for whom English is not his native language, this Iraqi Arab wrote eloquently, misspellings and all:

  - "Yes sir the things in Mosul are tough, but every day Iraqi polices get more and more power and experience and they have great supporting by U.S, army, just yesterday we had battle between Iraqi police and Iraqi National Guard, supported by U.S. army and in the other hand with ansar islam[terrorism organization] and we can call the battle of yesterday testing of power,because those bad guys tought that Iraqi police and ING will leave their postion when they just hear voice of shotting , but what happen tha IP and ING fighted them in best way and killed 14 of them … And about your question what we can do to make Iraq better ,the first thing that America and iraqi have be patient and work verey hard ,we have know the freedom is cost too much, for example the freedom which we see it right know in Euorpe and U.S.are not coming from vacuum but they paid rivers of blood … I hope we will not see any more bloods in IRAQ…. but we will see the freedom in Iraq either the enemies of freedom want that or not."

THE IMPLICATIONS OF THE RECOMMENDATIONS OF THE 9/11 COMMISSION ON THE DEPARTMENT OF DEFENSE (PART I)

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, Wednesday, August 11, 2004.

The committee met, pursuant to call, at 9:05 a.m., in room 2118, Rayburn House Office Building, Hon. Duncan Hunter (chairman of the committee) presiding.

OPENING STATEMENT OF HON. DUNCAN HUNTER, A REPRESENTATIVE FROM CALIFORNIA, CHAIRMAN, COMMITTEE ON ARMED SERVICES

The CHAIRMAN.The committee will come to order. The committee meets today to continue its review of the findings and recommendations of the 9/11 Commission.

Our distinguished witnesses are the Honorable Steve Cambone, Under Secretary of Defense for Intelligence; Vice Admiral Lowell Jacoby, United States Navy, Director, Defense Intelligence Agency; and Major General Raymond Odierno, United States Army, former Commander, 4th Infantry Division, and a gentleman whom probably most people on the committee know.

And, General, we are very proud of our committee. Almost every member has been to Iraq. And, of course, most folks that went to Iraq had an opportunity to be briefed by you up with the 4th. And so we appreciate your service. Good to see you again.

Thank you gentlemen for joining us with us this morning.

Yesterday, the committee heard from the 9/11 Commission leadership and from senior Department of Defense (DOD) officials on the broad strategy recommendations found in Chapter 12 of the commission report.

Today we turn attention to the more prescriptive recommendations found in Chapter 13 of the report, specifically dealing with how to organize national Defense Intelligence Agencies (DIA).

Our objective is to better understand the substance, merit and implications of these recommendations in preparation for the likely legislative action to follow.

As the Armed Services Committee of the House, it is our responsibility to explore in sufficient depth and detail the possible impacts that any such reforms could have on the ability of our military to fight and prevail on tomorrow's battlefields.

Some choose to characterize such scrutiny as undermining the commission's work. I simply consider it our duty and obligation to the millions of men and women that wear our nation's uniform.

And, on that line, I noticed that our commission leadership, both Lee Hamilton and Governor Kean, yesterday re-emphasized the importance and the criticality of maintaining the warfighters' capabilities to access and utilize intelligence. And I believe Mr. Hamilton commented that the commission's own recommendations might have to be refined to ensure that that is maintained.

So I think we are all working toward the same goal. And I think what we have to do is just make sure we get this thing right. If we allow a rush to judgment to be dictated by the need to simply get this done during the election cycle, then I think we are going to make ourselves more vulnerable and cause the Nation more harm. So doing it right is critical.

The 9/11 Commission's report has highlighted some very important findings.

First, the intelligence community (IC) continues to suffer from stovepiping, meaning that sometimes the left hand does not know what the right hand is doing.

Second, the commission found that the traditional principle of need-to-know often conflicts with the need to share, meaning that protecting sources and methods sometimes undermines the ability of analysts from different agencies to put together a comprehensive picture of threats based on fragmentary evidence.

And along that line, I think they gave a good description of following some of the bad guys where we had flashes of their presence, but then we would lose those flashes. And the idea that because of the fragmentation and the stovepiping, no one intelligence entity got a good look at the basket, so to speak, when we were trying to pursue.

I think you might call that an objective of achieving what you might call a seamless pursuit of a target. But that would seem to be one of the major areas that we need to work on and was brought out by the commission leadership yesterday.

Third, the commission highlighted the difficulty of coordinating multiple intelligence agencies while also running the Central Intelligence Agency (CIA).

The commission recommended modeling the solution after the Goldwater-Nichols reforms of the Department of Defense. That legislation succeeded because it sought unity of command, developed personnel policies that rewarded joint assignments and reduced the layers of bureaucracy between the President and the commanders in the field.

In endorsing the commission's finding, the President appears to be keeping these principles firmly in mind. He agrees with the need to improve cooperation and coordination by establishing the national intelligence director and separating that function from the management of a single agency.

He also seeks to break down stovepipes by creating a national counterterrorism center and strengthen the unity of command by ensuring that it does not undermine his authorities and responsibilities as commander in chief.

Undoubtedly, we will have a few ideas of our own. For example, I am concerned that some of the commission's recommendations, if not carefully implemented, may increase the gap between

warfighters and the national intelligence capabilities they rely on to protect our forces and defeat our enemies.

And I think, again, an important point that I saw yesterday in the testimony was that the commission did not have criticism of the way our warfighters used their intelligence agencies and the capabilities of those agencies. And they did stress over and over the importance of maintaining our warfighting capability and the ability to access and act on the intelligence apparatus that is available to those agencies today.

The Department's transformation plans are only going to increase with the dependence that we presently have on these improved national intelligence systems. So transferring DOD national intelligence capabilities to an outside entity could end up dulling our military edge, which would ultimately make us less secure.

Once again, the commission reiterated that that is not their intention. And I think it is important to make sure, as we put together legislation, we do not inadvertently put together a package that goes against those good intentions of keeping the warfighter as effective as possible.

Our witnesses this morning will help us sort through these issues, both from the standpoint of the warfighter's need for intelligence and the Department's relationship to other agencies.

I look forward to their comments, and we will go to our witnesses in just a minute.

Let me just offer something for the committee. We have a full membership at these hearings, and we went through the first panel without being able, yesterday—in fact, both panels—without having an opportunity to have everybody ask a question. Today we are going to strictly enforce the five-minute rule.

What I am going to do for the members, so that you know your time is approaching the point where you want to leave some time for the witness to answer the question, because the only way everybody can be accommodated is to make sure that the question and answer fit in the five minutes—otherwise, there is simply not enough time mathematically for all of our members to get a chance to ask a question.

And a lot of folks put aside a lot of district work to get back for this important business. So we are going to have a five-minute rule. It is going to be enforced.

And so, I would advise our witnesses, when your red light comes on, that means you finish your sentence, but we are going to have to go onto the next question.

So what I would ask our membership to do is to watch for that yellow light. We are going to put that on after three minutes. That means you got two minutes left, and you can either—if you just want to make a statement, you can conclude with that—use that time yourself. But if you want to have an answer from your witness, it is time to give them an opportunity to answer that question.

So, gentlemen, again, thank you for being with us. And we will turn to you in just a minute.

But first let me turn to my partner, the gentleman from Missouri, Mr. Skelton, for any remarks he would like to make.

[The prepared statement of Mr. Hunter can be found in the Appendix on page 245.]

STATEMENT OF HON. IKE SKELTON, A REPRESENTATIVE FROM MISSOURI, RANKING MEMBER, COMMITTEE ON ARMED SERVICES

Mr. SKELTON. Thank you very much, Mr. Chairman.

And let me join you in welcoming Under Secretary Cambone, Admiral Jacoby and General Odierno.

And, General, it is good to see you here in your class A's, as opposed to the fatigues we last saw you in. You did a great job, so thank you for your service.

Mr. Chairman, as a former member of the Intelligence Committee, and now as a long-serving member of this committee, I wholeheartedly endorse the effort to reform the intelligence community.

The tragic events of September the 11th were the result of an intelligence breakdown. Regardless of the particular or the underlying cause—it may be structural, could be organizational or perhaps resulting from a simple lack of imagination—the simple truth remains: A breakdown did occur, and change is necessary.

And the time for change is now. And I will repeat that: The time for change is now.

In this age of terrorism, we clearly need to lessen the burden placed on the Director of Central Intelligence or, as we call him, the DCI. Above all, the DCI serves the President, coordinates the community, then finds time to run the CIA itself. This was the law as passed back in 1947.

The burden of responsibility at that level of government should not fall upon one individual. And as they were passed back in 1947, the world was different than it is today. And no matter how capable that person is or such individual may be, that challenge is, frankly, too great.

During today's discussion in this larger debate, I urge my colleagues to remember the unique position of the Defense Department. That is what these gentlemen are doing here today. Simultaneously, and perhaps ironically, it sits as the largest consumer and the largest producer of intelligence, and has unique needs as well as capabilities.

Thus, as a committee, the Armed Services Committee, we are fortunate to have a panel that is before us to help us understand this far better. At one table, we have individuals representing the perspective of both the consumer and producer, respectively. And their input is essential to our understanding of this issue.

Mr. Chairman, I fully support the recommendations of the 9/11 Commission. Improved coordination, unity of effort in our Intelligence Community are essential qualities.

And after a string of strategic intelligence misreads, the fall of communism, the militant rise of Al Qaida, and the issue of weapons of mass destruction (WMD) in Iraq, to name a few, I hope our Nation has not waited too long.

Unfortunately, the list of missteps and misreads has grown in recent times. Thus, it is a change we must initiate, and it is time for a change now.

So, Mr. Chairman, I thank you for calling this hearing, the ones yesterday and the ones today. I look forward to the testimony.

[The prepared statement of Mr. Skelton can be found in the Appendix on page 251.]

The CHAIRMAN. I thank the gentleman.

And, gentlemen, without objection, your prepared statements will be entered into the record, so you are free to sum them up or to present them in any manner that you wish to.

And, Mr. Cambone, thank you, Mr. Secretary, for being with us today. The floor is yours, sir.

STATEMENT OF HON. STEPHEN A. CAMBONE, UNDER SECRETARY OF DEFENSE FOR INTELLIGENCE

Secretary CAMBONE. Thank you, Mr. Chairman, Mr. Skelton. Thank you all for being here today. It is a pleasure to be here to talk about the 9/11 Commission recommendations.

And I am joined today, as the Chairman has said, with Admiral Jacoby, who, as you know, is Director of the Defense Intelligence Agency (DIA), but you may not know he had a previous assignment as the Director of the Joint Staff, J–2, the intelligence section within the Joint Staff, and also served as the J–2 out at Pacific Command earlier in his career.

General Odierno you all know quite well. What you may not know is that he has quite a combat record. He was with the 3rd Armored Division during Desert Storm and Desert Shield, and he was also with Task Force Hawk in Albania during the Kosovo crisis and, as you all know, led the 4th Infantry Division with distinction in Iraq.

The 9/11 Commission recommendations have provided the country with an opportunity to debate a topic of surpassing importance, and that is the organization and the operation of the Nation's intelligence apparatus.

Its recommendations urge us to focus closely on two important missions of the Intelligence Community. And in singling these out, I do not mean to suggest that they are the only missions, but they are two that the recommendations from the commission focus our attention.

The first is what are called indications and warning of pending events—if you will, connecting the dots—and giving that indication and warning, especially of terrorist events, in time enough to allow the executive branch to take appropriate action.

And second, the need for the Intelligence Community to provide to the operational elements of the United States government, not only the Department of Defense, but the Departments of State, Homeland Security, Justice, Treasury, Commerce and others, as well as state and local governments, with current and actionable intelligence to support their activities and operations, again, especially but not exclusively with respect to counterterrorism operations.

Accordingly, the commission's recommendations urge us to consider three major areas for improvement within the field of intelligence: an improved domestic intelligence capability aligned with the broader U.S. intelligence enterprise; updated information security policies to build cross-agency information technology systems

to permit three things: one, the sharing of finished intelligence—that is, the products that come out of the analytic effort; second, the access of analysts across the Intelligence Community to any database they need to perform their job; and third, to encourage competitive analysis throughout the community.

And there is also a need to infuse the Intelligence Community with what I will call a joint mission orientation and provide it with leadership able to adjust resources and personnel to meet enduring challenges and emergent threats.

And I will touch on each very briefly, but I want to spend most of my time with the last, and that is the joint perspective.

With respect to domestic intelligence, the Department of Defense has an interest in seeing a robust domestic intelligence capability that can assist it in its force protection obligations both here at home and abroad.

But in the continuing enhancement of our domestic capabilities, special care is going to have to be taken to safeguard the rights and liberties of American citizens. There is no good trade between liberty and security.

With respect to information-sharing and expanding information technology regimes to enable information and data-sharing, the Department is convinced of the force-multiplying effects of network operations.

Those effects have been displayed publicly in Operation Enduring Freedom in Afghanistan, Operation Iraqi Freedom in Iraq. The prospect of harnessing the power of networked operations and networked intelligence is one the Department supports wholeheartedly.

Now, joint mission focus: With respect to a joint perspective, the Department of Defense has had nearly 20 years of experience with jointness. It knows how powerful a joint perspective, thriving joint operations can be.

Propelled by the Goldwater-Nichols reforms of the mid–1980's, the Department learned how to do centralized planning by combatant commanders, employing joint staffs, Army, Navy, Air Force, Marines, themselves directing decentralized operations by their subordinate commanders, who in turn put together joint task forces made of Army, Navy, Marine, Air Force and space forces.

In short, we have learned how to put together what we call joint task forces, and those joint task forces were the engine and are the engines of our military operations in Afghanistan, Iraq and elsewhere. Indeed it is hard for us to imagine within the Department of Defense today how to operate any other way than joint.

Now, to approach the implement of the commission's recommendations that adopts some of these best practices—and I would not suggest that they can be adopted wholesale; they need to be adapted to the circumstances of the Intelligence Community. But adopting those best practices from the Department could yield a number of what we think would be significant benefits. And let me emphasize a few.

First, that the National Intelligence Director could include in his planning efforts the experience and expertise of collectors, analysts and operators from across the government, domestic, foreign and military incentivization, collectors and analysts alike.

Now, this in turn would suppose some responsibility for the NID and authority for oversight and direction in the career development and management of those individuals.

Second, improvement in the all-source capabilities of the domestic and military intelligence sectors would be a welcome change. Both sectors, domestic and military, are working very hard to improve their all-source analytic capability to match that which is resonant in the foreign intelligence sector, that is to say the CIA. We would be well-served if the National Intelligence Director could bring them all up to a high level of capability for all-source analysis.

Now, this would imply, therefore, some responsibility and authority by the NID to oversee information technology builds, establish and enforce policies and standards for mutual access to the databases and to conduct periodic evaluations of performance within those agencies.

Third, a determination to form at the operating level, that is within the departments of the government, joint intelligence and operational organization similar to that which is being proposed at the national level for counterterrorism purposes would also be a welcome change. That is, there is no reason why at the national level you would not want to have some kind of organization that could bring together intelligence and operations.

And if that is a good thing not replicated in each of the departments of the government that have some obligation with respect to both counterterrorism and broader security operations, what that would do would be create a synergy within the Department and between the departments and the National Intelligence Director and National Counterterrorism Center (NCTC).

Fourth, although, speaking of the National Counterterrorism Center, the President is seeking for us to concentrate analytical expertise on foreign and domestic terrorism in one location, the President has also made clear that that organization, the NCTC, would assure the flow of alternative analyses to the extent that they exist. And they would provide the NID with—he should have the opportunity to test hypotheses that are raised elsewhere. And this gets to the issue of competitive analyses.

And I noted in the hearing yesterday that Mr. Hamilton expressed some concern that "competitive analysis" was code word for "keeping everybody separate." To the contrary, within the Department, what we understand that to mean is within an organization, between organizations and between those organizations and their superior reportive chain there has got to be competition.

So this is not Army, Navy, Air Force and Marines. This is a joint organization taking a look at a problem, another joint organization looking at a problem, and making sure that there is some competition between them before a conclusion is reached on what might or might not be done.

So, please, if I could just reiterate, there is no way, from the perspective of the Department, that we see "competitive" as being code word for "separation."

In summary, the prospect of increased jointness within the Intelligence Community is very attractive for the Department of Defense. But, as in the case of information security, information tech-

nology and so forth, what the nature of that design for that joint environment might be, how we plan within it, how we go about execution; all are important and need to be thought through in order to get it right.

Now, with respect to the National Intelligence Director, the President has decided to establish such a position. And he has made it clear that he, the NID, will serve as the President's principal intelligence adviser and will oversee and coordinate the foreign and domestic activities of our Nation's intelligence services.

The President has made clear that the NID will assume the broader responsibility of leading the Intelligence Community across the entire government. The President has endorsed the National Counterterrorism Center, and, again, as the President said, it will ensure effective joint action to counterterrorism and that the efforts across the government are unified in priority and in purpose. And he has endorsed changes in congressional oversight of the Intelligence Community.

Now I did not come today prepared to talk about congressional oversight. Here, I think I am obliged to take the Secretary's advice to listen and learn from debate on that subject. And with respect to the National Counterterrorism Center, I have already made the point that we believe that there is great value in a joint organization.

So now among other things that we have to look to is the precise authorities and responsibilities that will be invested in a national intelligence director. In the end, whatever those authorities and responsibilities are, it seems that the Intelligence Community ought to have the following characteristics and capabilities when we are finished.

We have to have an appropriate aligned domestic intelligence component. We have to operate under 21st-century information management and technology standards so that domestic, foreign and military intelligence components located within the departments and agencies in the United States Government have access to the databases across the entire Intelligence Community.

And we have to take on that joint perspective to break down the institutional barriers and restrictions to integrating horizontally across the community and cooperation across agencies and permit in the end then the kind of centralized planning and decentralized execution needed to provide what the commission pointed us to, which is improved indications and warning of events, and the ability to respond rapidly to intelligence when it is received.

Now, an issue frequently raised in discussion, of course, of the IC's reorganization is the placement of the National Security Agency (NSA), the National Geospatial-Intelligence Agency (NGA), and the National Reconnaissance Office (NRO). All are presently located within the Department of Defense.

And it turns out that the first two—NSA, the National Security Agency, and the NGA, the National Geospatial-Intelligence Agency—in addition to being elements of the national Intelligence Community, are identified in law as combat-support agencies.

As is, by the way, the Defense Intelligence Agency. It, too, is identified as a combat-support agency, and it, too, is identified as a component of the National Intelligence Community.

So we have at least three large organizations inside the Department that are both combat-support agencies and elements of the National Intelligence Community.

The NSA, the NGA, NRO and other elements of the IC within the Department that are part of the National Intelligence Community provide a critical service to both the Secretary of Defense and to the DCI for meeting their statutory responsibilities under the current arrangement. It is for that reason that current relationship is, in effect, a partnership: a partnership between those two that was forged both in law and in supporting executive orders.

It is true that each has independent responsibilities, but what is interesting about their relationship is that those responsibilities require that each of them exercise their authority in such a way that the other is enabled to exercise and discharge his responsibilities. It is a very interesting relationship that has evolved over time.

And this is a partnership which inevitably will have to be forged in whatever changes are contemplated and made within reforms of the Intelligence Community because of the overwhelming importance of the product of those combat-support agencies to the conduct of operations by the Department of Defense.

And, Mr. Chairman, in the course of our discussion today I am sure we will have ample opportunity to develop that theme, so I will not go into it here now.

So any proposed changes then, in conclusion, to the current structure of the Intelligence Community, I think, would need to pass a two-part test. First, how would they help solve problems identified by or subsequently recognized in the light of the findings of the 9/11 Commission? And second, would they create new problems more difficult to overcome than those we intend to fix?

Both of those questions I think are important.

The task of capitalizing on the findings of the 9/11 Commission is difficult and complicated, and we do not need to take on more tasks than are necessary.

The latter question, "Are we content with the problems that we may create?" is important, because in making choices we need to be clear about how we managed the risks we face. Few choices are risk-free, and therefore we need to be certain that we know and accept the risks we may create as we move to address those problems and risks we know that we face.

Mr. Chairman, I thank you for the time and the attention of the committee, and I look forward to your questions and those of the members.

[The prepared statement of Secretary Cambone can be found in the Appendix on page 256.]

The CHAIRMAN. Thank you very much, Mr. Secretary.

Admiral Jacoby.

STATEMENT OF VICE ADM. LOWELL E. JACOBY, USN, DIRECTOR, DEFENSE INTELLIGENCE AGENCY

Admiral JACOBY. Thank you, Mr. Chairman for the invitation to be part of this process. And let me begin with just a little bit of background on the Defense Intelligence Agency.

It was established in 1961 by the Department. It subsequently was included as an amendment to the National Security Act of

1947. And we designated a combat-support agency in 1986 by the Goldwater-Nichols Act.

As the Director of DIA, I work for the Secretary of Defense through Dr. Cambone. I am the primary adviser to the Secretary of Defense on military intelligence matters. And my agency provides military intelligence support down to the maneuver unit.

The DIA is designated a member of the National Intelligence Community. In this role, I respond to tasking from the Director of Central Intelligence and provide collections capabilities and military analysis and assessments as part of my duties.

I also report to the Director of Central Intelligence as the program manager of the General Defense Intelligence Program, which is a subcomponent of his National Foreign Intelligence Program (NFIP). I respond to requirements established by the DCI as the Intelligence Community's technical and defense human intelligence (HUMINT) collector under his intelligence collection authorities.

Finally, I am the DCI's executive agent for a number of centers, such as the Prisoner of War-Missing in Action (POW-MIA) Center, the Underground Facilities Center and the National Media Exploitation Center.

Mr. Chairman, I live comfortably in two interlocking worlds, the world of Defense Intelligence and the world of the Intelligence Community.

As the Director of the Defense Intelligence Agency, I represent 7,500 men and women, military and civilian, located around the world.

As program manager for the General Defense Intelligence Program, I represent an additional 11,000 civilian and Active Duty military members and 4,200 reservists in the service intelligence centers and also in the joint intelligence centers attached to the combatant commanders.

We are tasked with discovering information and creating knowledge that provides warning, identifies both threats and opportunities, and delivers overwhelming advantage to our warfighters, our defense planners and defense and national security decision-makers.

It is a big job. And today this mission is being executed with great dedication by our intelligence professionals working exceedingly long hours, often operating in austere condition in harm's way. It is important to recognize their accomplishments and sacrifice at the outset of today's discussion.

It is also important to recognize the breadth of their efforts. Their efforts extend from collecting data and determining the strategy of our adversaries for U.S. policy-makers and defense planners to providing timely and detailed intelligence to support our warfighters on the battlefield. I am committed to doing everything possible to improve their capabilities and their opportunities for mission success.

Dr. Cambone has spoken to the 9/11 Commission report from the policy perspective. From the execution perspective, I welcome the opportunities inherent in the recommendations of the commission report to improve our intelligence capabilities. The dilemma will be found in implementing fundamental change while simultaneously accomplishing assigned missions in today's hostile, exceptionally

complex and fast-paced environment. Clearly there will be challenges along with the opportunities.

The first key opportunity is to assert the primacy of all-source intelligence. By all-source, I mean intelligence and information derived from all of our collective assets, military forces, law enforcement agencies and unclassified sources. The benefit to be derived by bringing all of these sources together for analytical discovery apply equally to dealing with the threat of international terrorism or the enduring military issues like North Korean capabilities and intentions or insurgency in Afghanistan.

To put the "all" into all-source analysis, collected data must be broadly available, analysts must drive collection, collectors must join the analysts to create a new intelligence operations paradigm, and analytic professionalization and tradecraft must be enhanced.

Today's some-source environment must be changed. Achieving through all-source analysis will fundamentally change our Nation's and our Department's intelligence capabilities.

The second key opportunity I would like to speak to is to aggressively act on the recommendations in Section 13.1 of the 9/11 Commission report concerning unity of effort in sharing information.

Information is the raw material of the intelligence business. I strongly concur with the commission's finding that today we have immense amounts of information that are not available for analytic scrutiny. Unquestionably we must extract additional value from what is currently available, harvest and exploit new and non-traditional sources of data, and prepare ourselves to optimize data from future sensors and future access opportunities.

We must reengineer existing information management approaches, so that instead of analysts complaining about drowning in data, they look upon the volume and diversity of data available to them as their best friend.

We must move expeditiously to adopt the need-to-share, rather than need-to-know criteria, institute process and policy changes required to make information broadly available while properly protecting sources, and incorporate best practices in the commercial sector.

We in DIA are instituting commercial practices, organizing our data so that modern commercial techniques can be applied by analysts, tagging data such that these tools can operate effectively in working to achieve the trusted information network referenced in the report.

But rather than apply these capabilities in one agency, the true power of these recommendations comes with implementing the changes across government departments and agencies, beginning with those entities that collect information relative to national security.

For example, the smart network employee modern information management techniques would recognize a company commander from the 4th Infantry Division when he logs on. It would know his intelligence needs and his approximate operating location based upon the types of questions he had asked in the past. It could be pre-programmed to sort and store data.

Upon log-in, the network would save valuable time and communications bandwidth by presenting that data and accompanying

analysis, rather than requiring that company commander to initiate a search. It would know that he has a SECRET clearance and would separate the sources from the content of the information so that he could have maximum access to data at the SECRET classification level.

And if he wanted to know what is literally over the next hill, he would get what he needs regardless of what exotic collector may have been employed to get that data.

Just as importantly, if that company commander, who is not an intelligence collector by definition, took possession of potentially relevant information from enemy documents, or interrogations reports, or visual observations and so on, that data could immediately be loaded on the network where it could be acted upon, related to other data, and subject to analytic scrutiny.

In an integrated endeavor, the operator can switch from customer to provider in an instant, even on the battlefield. That is precisely where we need to be.

The power of all-source primacy supported by unity of effort in information in arena is transformational. And I am convinced these fundamental changes can be implemented while fighting a war. These changes would enhance military effectiveness, improve operational capabilities and save lives.

If we achieved all-source primacy and truly integrate data from all available sources, we would address other issues, as well. These changes would promote competitive analysis since the data would be subject to a variety of analytical viewpoints and be the basis of an active dialogue. Often-discussed cultural issues in resistance to sharing would be swept away.

And I would reference the impact that the Internet has had in some of these areas in the unclassified commercial world and talk about those kind of impacts that those would have in our classified operating environment.

These new approaches would bridge existing divides between foreign, military and domestic intelligence. These approaches permit decentralized executions, reducing the physical vulnerabilities of concentrating our capabilities in potentially targeted locations, while retaining a maximum flexibility to surge and reprioritize our efforts as is so often needed in military intelligence.

The opportunities presented by the commission's recommendations in these areas are fundamental and far-reaching.

As is said often in military planning, the devil is in the details. That said, I look forward to working with this community to seize the opportunities presented by the commission and improve our capabilities for the warfighter, the planners, defense and national security policy-makers, and most importantly, the citizens of the United States.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much, Admiral.

And, General Odierno, good to see you again. Again, most members have seen you in your leadership roles in-theater. We appreciate you being with us and giving us some perspective as a warfighter in the context of these recommended changes.

STATEMENT OF MAJ. GEN. RAYMOND T. ODIERNO, USA, FORMER COMMANDER, FOURTH INFANTRY DIVISION, U.S. ARMY

General ODIERNO. Thank you, Mr. Chairman, Representative Skelton and distinguished members of the committee for inviting me here today. I appreciate the opportunity to appear before you and answer your questions.

For 32 months, I had the honor and privilege to serve the men, women and family members of the 4th Infantry Division as their commanding general. During my time in command, I deployed Task Force Iron Horse, a 33,000-person task force centered around the 4th Infantry Division, and its great soldiers in support of Operation Iraqi Freedom.

We were in Iraq for March of 2003 to March of 2004. During that time, I witnessed these young Americans fully and faithfully discharge their duties in Iraq, as they carried out their mission in prosecuting the war on terrorism. And I want to thank all of you for your unwavering support to them and all of their family members here back home.

As a former operational and tactical commander in Iraq, I cannot overemphasize the need for the tactical-level commander to rapidly target individuals with near-real-time intelligence. The importance of this capability cannot be overstated and is essential as we move forward. And this is essential to the tactical commander and all those soldiers on the ground that are doing the hard work.

And, with that, I will end my statement. And I look forward to all of your questions.

Thank you, sir.

The CHAIRMAN. Thank you, General. And you are going to get the prize for probably the shortest opening statement that was ever made by a general before this committee.

And that does give us an opportunity—we have a pretty full house here, and we have lots of folks that want to ask questions.

Yesterday, Dr. Gingrey waited five hours and never got a chance to ask a question, so I am going to yield my time to Dr. Gingrey, with the caveat to Dr. Gingrey that we are working under a strict five-minute rule.

And I want to advise our witnesses, too, that when that red light goes on, you need to finish that sentence and we will move to the next questioner. But the yellow light will go on when you have two minutes left to our members. So at that time, you may want to wrap the question so you can get an answer.

The gentleman from Georgia, Dr. Gingrey.

Dr. GINGREY. Mr. Chairman, thank you. I really appreciate that.

Of course, we were here about eight hours yesterday starting with breakfast, and we have this hearing now. And this afternoon, we will hear from the thinktanks.

But it is great to see all of you, especially General Odierno. When I was in Iraq in December and you took us to Adwar, where Saddam was captured it was an experience that I will long remember.

You know, it seems to me that if you cut right to the chase, there is this concern obviously about the warfighters, the tactical commanders, needing that intelligence that helps them pinpoint and

save lives, and concern now with this recommendation from the 9/11 Commission that all of a sudden somebody else is in a higher position, if you will, in regard to all of this intelligence gathering that comes from a lot of different sources. It is almost like an alphabet soup; a little bit difficult for us to understand.

But when Secretary Dr. Cambone a few minutes ago described what may be the role of a national intelligence director, it sounded a little bit like he was suggesting more of an inspector general role for intelligence. I do not think that is what the 9/11 Commission has in mind, certainly, Governor Kean and Congressman Hamilton.

And I wonder if you can just, kind of, describe to us—you have your concerns, we have heard your concerns from the Department of Defense. It seems like it is a little bit of a reluctance to give up some of this overall command and control of your intelligence. But I think we are calling for—and I have to tell you, these two days have helped me understand a little bit better the work of the 9/11 Commission, and quite honestly, I think they are right.

And if you could explain that to us, I would appreciate it.

Thank you.

Secretary CAMBONE. I did not mean to leave the impression of an inspector general's role at all. I think the President was quite clear about his anticipating that the NID will have serious and real authorities, first.

Second, in talking about the need to look into improving the capacities and capabilities of the constituent members of the community to do all-source analysis, that is a remarkably important job and that one that will require that he, this NID, or she, be able to set standards for activity and personnel be able to move resources around the community in ways that make sense to include the people and so forth.

So I think it is a substantial role for the director of the community as a whole to have that kind of authority and responsibility.

With respect to the Department's interest here, it is with respect to its ability to assure that the product of the relationship that exists today between the DCI and the Secretary of Defense is perpetuated—the product is perpetuated. How we go about assuring it is something that we need to debate and be certain we understand, but I do not think there is any reluctance to engage at all in that conversation about how we might adjust to make the overall capabilities of the Nation's Intelligence Community better than they are today.

Dr. GINGREY. Admiral, General, any further remarks on that point? I think we have just a few seconds left.

Thank you, Mr. Chairman. I appreciate you giving me the opportunity to go first. I appreciate it.

The CHAIRMAN. I thank the gentleman.

And the gentleman from Missouri, Mr. Skelton?

Mr. SKELTON. Mr. Chairman, thank you very much.

I have two questions.

First, let me revert back to the Goldwater-Nichols days, if I may. This was a multi-year effort that met with strong resistance from the leaders, particularly the military leaders in the Pentagon, over that period of time. It was finally passed in 1986, and thereafter, because of the nature of the military and the leaders, at the end

of the day the military saluted and made it happen and make it work.

And to this day, I think those that are leaders within our military will say good things about Goldwater-Nichols creating jointness as a real thing and now part of the military culture.

Dr. Cambone, I will ask you and, if the other two gentlemen have thoughts, I would appreciate them, as well.

Fast forward to now. Suppose this legislation is passed basically along the lines of the Commission. And I realize there are going to be some crystal bowls broken. What would be the reaction, A, of the military side of the Intelligence Community, in your opinion, and, B, the reaction of the non-military side, in your opinion, Doctor?

Secretary CAMBONE. I think in both cases, sir, within the Department, there would be the same reaction, which is to salute smartly and make it happen. So I do not think there is any question about that.

What will follow in training, however, is a conversation then with the new apparatus, the new director, about how we are going to work that relationship between the Department of Defense and the supplier of intelligence essential to its Title X responsibilities in a way that the commander on the front line can be assured that when he picks up the phone and says he needs it, it will be there.

But that is going to—so we worked that relationship in the current structure over the course of some 40 years or more. We would have to reset those relationships in a way that assures the same outcome.

And that is why I say, it is the product of the relationship that is important. And thus far, the best way to have assured that product has been our current arrangement. If it is decided that there is a better way to arrange ourselves overall, then we will do so.

But we will have to come back and reconfigure that relationship so that there is an assurance that the support that is going to be needed for the warfighter will be there when he picks up the phone and seeks it.

Mr. SKELTON. Admiral Jacoby.

Admiral JACOBY. Mr. Skelton, I happened to be on the staff late when you visited in the early 1990's, and we talked about Goldwater-Nichols at that point. And we were in the process of doing what Dr. Cambone just suggested. We were resetting relationships between the component commanders and the commander in the Pacific at that point in time. We will need to do the same.

And I would certainly, from my position, be looking very explicitly at information availability, the way for the military to prioritize its needs, to make sure that the Combatant Commanders' needs are being set, and that we will have to do some changes and rewickering of our prioritization process and so forth to make sure that that happens.

Mr. SKELTON. General.

General ODIERNO. Sir, I would just comment that it is all about access to data, and the commander on the ground having that ability to prioritize and go up his chain of command and feel confident that his priorities will be met in terms of having the data available necessary to execute precision targets.

The one thing we learned in Iraq was you do not have much time. Targets are fleeting. You have hours. And so you have to have immediate access to that information.

So as we work our way through this, it is important that we understand that we must maintain that capability to have immediate access on the ground to the tactical commander.

And so, I think as long as the recommendations support that, I think we are in good shape.

Mr. SKELTON. Thank you.

Dr. Cambone and gentlemen, let me ask this: Would you give us your top three points of concern? Or, in other words, where would you disagree with the recommendations of the 9/11 Commission, the top three, please?

Doctor.

Secretary CAMBONE. The one that stands out most in my mind is the second hat they would like to give me as the deputy to the National Intelligence Director. Not because I am unwilling to wear a second hat, but because the way that they have structured those relationships, you have what is essentially a staff officer and myself, an operating officer, in the case of the agency, the CIA director, who would be a deputy, and then a person who may be one or the other with respect to the domestic side of the house.

So I think a structuring along those lines would have to be thought about a little more carefully, and perhaps might look to another way of assuring that military intelligence support.

The CHAIRMAN. Dr. Cambone, we are going to have to answer the rest of that question with the next witness.

Secretary CAMBONE. Fair enough, sir.

The CHAIRMAN. The gentleman from New Jersey, Mr. Saxton.

Mr. SAXTON. Thank you, Mr. Chairman.

In Section 13.1, Unity of Effort Across the Foreign/Domestic Divide, the commission makes the point very quickly that responsibility and accountability were diffuse.

And then they make an analogy. They say that, "In our hearings we regularly ask witnesses, who is the quarterback? The other players are in their position doing their jobs, but who is calling the play that assigns roles to help them execute the team?

I am not sure that is a good analogy. Certainly, all of us know that a quarterback sees the situation, he has control of his offense. I am not so sure that, as we look at the chart here, which shows the responsibilities of the National Intelligence Director of the National Counterterrorism Center, that we have the same kind of a situation.

I worry, because, when I was with General Odierno in Iraq, he impressed on me over and over again how important it was to have immediate access—real-time access to information.

And so if we have a team led by a quarterback in Washington, D.C., or someplace in the Continental United States (CONUS), and we have military people depending on information that flows through that team and directed by that quarterback, does this in any way worry you, Dr. Cambone, or General, or Admiral, about immediate, timely access to information?

General ODIERNO. Sir, again, I do not want to comment too much on the—because it is not quite clear what the organization will be.

But there is always a concern that we add bureaucracy that does not allow us to get immediate information. I am not saying it is bad, because sometimes it is very good to do that because it helps us reorganize. It might improve. But the bottom line is, at the tactical level, you have to have immediate access.

And today, strategic and tactical intelligence is interwoven. They are no longer separate like they used to be. Tactical intelligence on the ground can immediately become strategic intelligence. And so we have to have that stream that is able to control that very quickly.

And then something that might be up here in Washington, D.C.—an information that might not be important could be extremely important on the ground to those soldiers. And so we have to have a system where people can interact and all of that data is available to us.

And so that is what I would like to see. And I think there is a way with this recommendation that it can improve.

So my concern as a commander on the ground is that I need access. I need access to both strategic and tactical information, and I need it near term.

Secretary CAMBONE. Mr. Saxton, an awful lot of the signals are called as audibles and there is a lot of adjustment in the way the offense is run in the intel business.

I think the key part here is to make sure that we end up with the possibility of centralized planning, but decentralized execution. And I think that that is a key. Not all these signals are called by the quarterback and sent in from the coach: there needs to be an awful lot of flexibility if we are going to meet the military missions.

Admiral JACOBY. And, sir, I think that in part they were making reference to the orchestration of elements of national government with respect to the counterterrorism activity. And I think they were looking to see if there wasn't some way to improve that orchestration. And I do believe that that was what led them to the proposal for, and the President's interest in, the National Counterterrorism Center and its director.

Mr. SAXTON. Mr. Chairman, I know that you share this concern, as well. And I would just like to make sure that as we proceed with whatever legislative program that we are going to proceed with, that we ensure that we build in the kind of flexibility that is necessary here so that our commanders and people on the ground have as immediate access to information as is possible.

The CHAIRMAN. I thank the gentleman.

And the gentleman from South Carolina, Mr. Spratt.

Mr. SPRATT. Thank you, Mr. Chairman.

And thank you for your testimony.

Mr. Cambone, at the end of your testimony you suggest that we do not want to create new problems that are more difficult than those we set out to solve. I get the impression from that rhetorical statement that you are concerned that some of these proposals would indeed worsen the situation and create bigger problems than you have right now.

Let me just go to the central point made in Chapter 13. In Chapter 13, the commission notes that, "The current DCI is responsible for community performance, but lacks three authorities critical for

any agency head: control of the purse strings, the ability to hire or fire senior managers, and the ability to set standards for information structure and personnel and to task operations."

Do you have problems with reassigning each of these to a new national director of intelligence? Do you think this would create problems that could be harder to solve?

Secretary CAMBONE. Again, it depends on how we go about doing it. It is not the proposal to do so; it is how it is done.

So on the information technology (IT), for example, I said in my prepared statement that it is absolutely essential that that person, the National Intelligence Director, have the ability to forge and force those relationships. What comes with that then is not just setting standards, but he is going to have to have, if he is going to succeed in that endeavor, some ability to push the money in the right places to get it done or to withhold it if it is improperly done.

With respect to personnel, he already has—the central intelligence director does—a concurrent role with the Secretary, for example, and the appointment of the head of the NSA and the NGA and so forth.

Mr. SPRATT. But the commission calls into question whether or not these paper powers are actually realistically exercised today by the DCI.

Secretary CAMBONE. And that is fair enough, sir. And so my question would then be—let me go back to where I was on the nature of the relationships—for a problem to be created that we need to think about solving, if the National Intelligence Director had the budget and the personnel for, let us say, the NSA, and the implementing instructions that came with it said that all tasking could come only through the National Intelligence Director to that person, we would have to find a way then to forge a new set of relationships between the Department and that person, because there has to be some accountability horizontally to Major General Odierno.

Mr. SPRATT. Sure.

Secretary CAMBONE. Okay, so that is all I am suggesting. I am not saying that we ought not to be considering the changes. What I am saying is once you think about what the change is, what problem do we create and can we resolve it in a way that we are happy? And if we are, then let us go ahead. And if not, then we need to back up a little bit and reconsider.

Mr. SPRATT. Going through Chapter 13, do you have objections then to creating a National Intelligence Director who would be in the White House, immediately in the executive branch, next door to the President, operating with his proxy, setting a budget, choosing senior personnel and tasking operations?

Secretary CAMBONE. The President has made it plain that he would not be in the White House. And so there is that.

In terms of setting the budget, no. Again, the question is how to process; how are we going to do it. How much of the budget? For example, we have talked in this committee yesterday about Joint Military Intelligence Program (JMIP), programs that are in the Department of Defense, and those things that are in the service budgets that are related to intelligence. How much influence over that? We need to discuss that and work it out.

Mr. SPRATT. One side question: you mentioned in your testimony in discussing on networking, that the Future Years Defense Program (FYDP) over the next six years includes $30 billion for——

Secretary CAMBONE. Rough estimate, sir.

Mr. SPRATT. Does this include the space-based radar, satellite?

Secretary CAMBONE. It is not the radar, but the laser communications satellite.

Mr. SPRATT. The transformational satellite?

Secretary CAMBONE. Yes, sir.

Mr. SPRATT. That is a pretty extensive piece of the $30 billion you are talking about.

Secretary CAMBONE. Yes, it is. It is probably a third or so, and then there is the fiber-optic network that we are putting on the ground around the world, the connection for our combatant commanders in their headquarters in order to be able to gather all that data.

And, sir, all of that is designed—to go back to my point about IT, it is being designed to accept Intelligence Community information.

Mr. SPRATT. The question I have is, is enough left over to put together all of these databases that are not now inoperable and to create that kind of unified——

Secretary CAMBONE. It is my opinion that we could spend that $30 billion in such a way that we could get both the advanced communications capabilities and the lash-ups to those databases——

Mr. SPRATT. Which do you think is more important if you do not have enough money to do both?

Secretary CAMBONE. If I cannot—I have got, over time, to do both. Because if I cannot move the data at the volume that the laser permits, the access to the databases will be very slow and ineffective. So I have to——

Mr. SPRATT. Would the new National Director of Intelligence have final authority over that decision, the allocation of resources between your——

Secretary CAMBONE. On that one, in terms of the interest of the Department in having a laser satellite communications system, probably not. In terms of its ability to accept and transmit the data from the Intelligence Community, absolutely.

The CHAIRMAN. I thank the gentleman for his question. And any additional—incidentally, any members who have additional follow ups that they want to make when they run out of time, we will make sure we get those to the panel and they can respond in writing.

But I thank the gentleman.

And the gentleman from New York, Mr. McHugh.

Mr. MCHUGH. Thank you, Mr. Chairman.

Gentlemen, thank you for being here. Welcome.

Last week, a government reform commission member, former Senator Kerrey, made a number of very interesting statements. But I am just going to read a final sentence to one of a longer response he gave with respect to this question on how do we reconfigure intelligence gathering vis-a-vis warfighters.

The last sentence reads, "Please do not tell me it is going to deteriorate our capacity to support the warfighters. We do not touch tactical intelligence in this recommendation."

I think certainly from our discussions yesterday and the concerns expressed here today, and based on General Odierno's comments, there are some concerns, in that tactical and strategic are not as well-defined as perhaps they once were as it relates to the warfighter.

I think it is critical as we pursue the very laudable recommendations of the 9/11 Commission that we have fully on the record, or at least more clearly on the record, what those kinds of overlaps are. We spoke yesterday about Joint Direct Attack Munitions (JDAMs) and satellite telemetry, et cetera.

But I was wondering if any of you gentlemen would care to expand on that lack of a clear line that, at least under the strict reading of the 9/11 Commission, is probably absolutely essential if we are not going to deteriorate warfighting capacity.

Secretary CAMBONE. Yes, it is an irony of this, sir, is that we spent a good deal of time, at least during my tenure, trying to merge and blur the line and distinction between what is strategic and tactical and what is national and military, since it is increasingly difficult to distinguish, either in the product that is produced or in the capability that is applied.

So Global Hawks, which are built by the Air Force, are as significant and important as signals intelligence (SIGINT) satellites that are built by the National Reconnaissance Office and whose take is managed by the National Security Agency.

Let me give you three examples of where these things overlap.

We have spent an enormous amount of money, for example, on building aircraft that can evade surface-to-air missile systems or on Global Hawks that can provide persistent surveillance. Without the support from the National Security Agency to help us route those in a way that avoids surface-to-air missile systems, we are vulnerable. So we need that interchange between the two.

When we talk about trying to get our Navy to begin operating in littoral areas, their dependence on both the imagery and the SIGINT capabilities that come from those national agencies is paramount, that they have absolutely got to have that information to support their operation.

When ground forces—and I will let the General speak to it—operate, they are concerned not only with finding enemy forces, but in knowing where they are, where blue forces are, in order to be able to effectively use the force and prevent fratricide.

Combat search-and-rescue—there is probably no single undertaking more dependent upon those national assets than combat search-and-rescue. Think back to the shooting down of the aircraft in the Balkans and how we had to move all of those people so very rapidly. The national agencies, so called, operating in their combat-support mode, were very much a part of the endeavor to rescue that pilot.

So the interconnection is, at this point, very difficult for us to now begin to break apart. That does not mean we cannot find other ways to manage if there is a reason to do so.

But in finding another way to manage, it is that kind of interconnection which we work so hard to build up over 20 years now, and especially in the last three, that we have to realize we are pulling apart and we will need to put back in a way that is going to be appropriate and effective.

Mr. McHugh. General.

General Odierno. Sir, just let me comment again, for example, on signals intelligence on strategic satellites. There is information that comes through there that can be used immediately at the tactical level. And I could give you several examples of how we did that.

So it is being collected at the strategic level, but it is tactical information to capture a main target in Iraq or Afghanistan or wherever we are. So there is a clear, clear overlap.

There is also a question of bandwidth, as you challenge each other strategically and tactically. For example, the systems we use to track—in the 4th Infantry Division we have the systems to track all of our tanks, Bradleys, infantryman, and we can do that real time. And that prevents fratricide.

And that is in competition with strategic, so who prioritizes that? So there is an overlap of the systems that are used strategically and tactical to do that. So it is not only an intelligence, but overall systems, overlap.

And it is very blurred, because in today's world something that happens with a soldier on the ground can be a strategic issue in seconds, or something of a million parts of data that is given somewhere in Washington, D.C., can be an extremely important piece of data on the ground in Afghanistan or Iraq. And we need to have the access to that. And that is the issue, and it has to be available to all of us.

The Chairman. I would like to thank the gentleman.

The gentleman from Texas, Mr. Ortiz.

Mr. Ortiz. Thank you, Mr. Chairman.

One of the chapters that I was reading on the commission report, Chapter 11, mentions foresight, hindsight, imagination.

And, Mr. Secretary, you talk about the necessity of having domestic intelligence component and foreign components and how they play a key role in giving bomber crews and Navy personnel the required information that they need now.

If I go back, I read about all the chatter that was going on and so much information coming in that there was not sufficient people to really declassify the information coming in.

Is this being corrected now? Do we have the imagination that maybe we do need people who speak the language, who can, you know, understand the different customs in different countries? And if so, what has been done now to correct that, Mr. Secretary? Maybe you can enlighten me.

Secretary Cambone. Well, I can give you two examples, sir.

One is that the President did establish the Terrorist Threat Integration Center, and it is designed to bring together people to do just what you are describing.

And each day they publish a paper that lists ongoing and developing threat streams, as they are called. And they are responsible for assuring then that, whether it is for the Federal Bureau of In-

vestigation (FBI), the DOD, State, Justice, are made aware of that information and they check to see what they are doing about that.

The NCTC, the National Counterterrorism Center, will be even more capable, under the President's plan, than is the present threat terrorism center. So he, the President, is making certain that just what you are talking about is being done.

But in addition, within the Department of Defense, having some responsibility for the National Security Agency, we have teamed with General Hayden to make sure that his language expertise goes up and that funding is available to assure that his language capabilities improve.

We are working with our combatant commands to make sure that they have people, they are recruiting people who have not just the language skills, but the cultural skills to support the kinds of operations that we think that they are going to be engaged in.

Now, it is, as you know, not easy, first, to find those people and, second, it takes time to train people, because you want people who can not only listen and understand what they are hearing, but you actually want people who have the ability to speak the language so that they can give some texture to what they are hearing and reporting.

So it is going to take us a while, but there is money and program in place to begin moving us in that direction.

Mr. ORTIZ. So are we to assume that there will be an increase in personnel, in training so that we can handle the situation?

One of the problems we face now, Mr. Secretary, is a lot of illegal aliens coming to this country. And I think that domestic intelligence is going to play a big, big role as to how we are going to be able to defend our homeland.

Secretary CAMBONE. Yes, sir, and I cannot speak in detail to the domestic side of the house other than to agree with you that I think there is an increased role for them to play, again, with all due respect for and careful effort to protect those liberties of American citizens. And finding that balance is absolutely essential.

Admiral JACOBY. Mr. Ortiz, if I could, we have been in an aggressive hiring posture in DIA for the last 18 months. We are bringing in people with very diverse backgrounds, language skills, some native speakers and so forth across a broad spectrum.

We recognize that our business is different today than strictly supporting conventional force-on-force maneuver. And our experience is that we are finding people with the right kinds of talents for the future.

We are putting incentive money against language proficiency and so forth, and we are putting a very aggressive language training and, sort of, retraining process in place. So it is not just with the SIGINT people but in our broader analytical efforts. Sir, I think you would be happy with the responses that we are seeing for our effort.

General ODIERNO. Sir, I would just add, as you know, it has been a significant problem initially in terms of linguists on the ground and through a system, especially Arabic linguists. And we have worked very hard in both the joint and Army world to try to correct it. We were organizing our linguists in the Army, retraining them, recruiting more in order to make them more effective.

We also established special cells at the strategic level to support the warfighter on the ground about six months ago, where you are able to send some significant data to them that they can interpret very quickly and get back to the commander.

Those are just first steps, though. There is still a lot of work that needs to be done. And we do need the support. It is a very great observation, sir.

Mr. ORTIZ. Thank you.

Nice to have all three of you with us today. Thank you.

The CHAIRMAN. I thank the gentleman.

The gentlelady from New Mexico, Mrs. Wilson.

Mrs. WILSON OF NEW MEXICO. Thank you, Mr. Chairman.

And thank you, gentlemen, for being here today.

I was struck by something you said, Steve, about making sure that the answers that we come up with, the changes that we implement, help solve the problems that have been identified and do not create new problems or exacerbate other problems that perhaps were not the focus of this study but have been the focus of other studies and reports when we look at restructuring the Intelligence Community.

My view is that the 9/11 report did a very good job in looking at the indications and warning problem and also on global strategy. But there are other areas and problems with the Intelligence Community, like group-think that was identified by the Senate Intelligence Committee's recent report, collection, which you have discussed some today, the analytical challenges, the HUMINT and linguistics and those kinds of challenges that we also face.

And, Steve, I would ask you to address for a moment, if you would, what kinds of structures should we put—we are only going to get one shot at this, on some kind of change to the structure of the Intelligence Community and who has what authorities and what is in place.

What kinds of mechanisms should we put in place so that we can share information, we can do this integration and unification and jointness, but that we also do not reinforce another problem of group-think? What kinds of competitive analysis, red-teaming, black-hatting—what do we need to do so that we do not exacerbate that problem?

Secretary CAMBONE. One of the advantages that will be available to a national intelligence director is that he has, throughout his Intelligence Community, those 15 organizations that everyone, kind of, points to as a problem. They are a valuable asset to him. They can provide him with a breadth of view that any one organization, no matter how well-trained and organized and motivated, will never be able to do for him.

But he can only realize the advantages of those organizations if he undertakes to improve their level of performance in the sense of their production, and their analytic work, and the experience, and the language skills, first. Second, that he assures that those individuals have access to data across the entire community. And, third, make certain that they have the IT support to do it.

I mean, I have four computers that sit on my desk for no other reason than we have not been able to find a way to lash up all those communications nets.

So that means he is going to, in turn, then, have to have some personnel responsibilities. He is going to have to have a level of budgetary authorities on these matters. And he is going to have to have some ability to move those resources to assure that he can take advantage of the various opportunities that sit out there waiting for him.

I think the last thing—advice is free, so this is what it is worth—the last thing he would want to do, I think, is pull that analytic skill up to his level and consolidate it in one place.

Mrs. WILSON OF NEW MEXICO. How does consolidation combat group-think?

Secretary CAMBONE. It does not.

Mrs. WILSON OF NEW MEXICO. Admiral, you mentioned about how, you know, cultural issues are swept away, if data is shared.

Admiral JACOBY. Right.

Mrs. WILSON OF NEW MEXICO. Why do you believe that?

Admiral JACOBY. I think that because the best way to avoid group-think, I believe, is to have people in various locations looking at the information from various aspects. And, obviously, we look at information basically from a military view. Somebody else, though, in the foreign intelligence business, could be looking at the same information from a diplomatic or some other view.

There is a greater chance of having alternate analyses and interaction from that kind of an environment than if we put people together, physically together in an environment where you will end up with, sort of, over time, building up a set of assumptions that are not as readily challenged.

The other piece that happens, if we go the route that I was advocating, of all-source and broadly available information, you do not end up with filtering on the front end either. In other words, today's world you put in an intelligence requirement and the collector reports out what they get that meets that requirement. It could be on the periphery of that question you asked are very important bits of information that may take you in a different analytic direction.

If we free that information up, the chances of filtered information going to a small group that has a small amount of information to work with and coming up with one conclusion is going to head the other direction. You are going to have an awful lot of competitive discussion and analysis going on as part and parcel of the way business is done. I think it is a desperately important piece.

Mrs. WILSON OF NEW MEXICO. Thank you, Mr. Chairman.

The CHAIRMAN. I thank the gentlelady.

Ms. Sanchez.

Ms. SANCHEZ. Thank you, Mr. Chairman.

And thank you, gentlemen, once again for being before us toady.

In particular, General Odierno, I remember right around Christmas time we were out visiting in Iraq, and at the time I had asked you, in a very pointed conversation, about how many insurgents you thought were still out there in Iraq. And we went back and forth for a while, and at some point you told me 347. Of course, three days before that, your boss, Abizaid, had said he thought there were about 5,000.

Now, these days we hear maybe we have killed 1,000, maybe we have killed 3,000 in a week, maybe there are 20,000 out there,

maybe there are 30,000 out there. In other words, I believe then and I believe today that we are still guessing.

So with that in mind, I have a couple questions for all the panelists about the 9/11 Commission report and how it would impact DOD's intelligence gathering. And the two questions are these.

With respect to the overarching goal of denying sanctuary to terrorists, are you prepared today to discuss why DOD's intelligence collection assets should remain under the control of DOD and not be placed under the jurisdiction of the National Intelligence Director? What advantages do you see in maintaining the status quo? And why would not it be beneficial to implement the recommendations of the 9/11 Commission?

The Commission report also identifies three countries in the war on terror, Pakistan, Saudi Arabia and Afghanistan. And it suggest that the United States should have a realistic strategy to keep terrorists on the run within these countries using all the elements of national power.

In the event that one of these countries takes a dramatic turn for the worse, for example, let us say President Musharraf is assassinated and the country falls into the hands of Islamic fundamentalists, how would the United States be able to use all the elements of its national power, given such an enormous commitment of military and economic resources in Iraq?

Maybe, General, you can start.

General ODIERNO. First, you know the question you asked was a very difficult question, and that is why we are here today: to discuss how we can better answer those kind of questions. Because it is very difficult to really decide how many, for example, insurgents there are. It is a combination of having HUMINT, SIGINT, measurement and signature intelligence (MASINT), imagery intelligence (IMINT), electronic intelligence (ELINT) all of these type of things that we use to gather information so we can answer those tough questions.

And that is why it is important that we must not filter—and the comment that Admiral Jacoby made was very important: filtering of information is an extremely important concept that we must avoid. Because what might not be important to one person could be extremely important to another person. What might not be important at the strategic level could be extremely important at the tactical level. What might not be important to the soldier on the ground might be extremely important to somebody at the strategic level.

So I think that is what it gets to. We have to be able to manage that data in such a way, and have access to that data, so it is not filtered, and so we can use it best to answer those hard questions like you asked me.

And that is what this is about. We have to be able to get all the information necessary so we can more accurately answer those type of questions.

Ms. SANCHEZ. Again, but why should we keep that within DOD instead of centralize it under some main character?

Secretary CAMBONE. There are three elements of intelligence within the Department, I think, that we are talking about. One is that kind of activity that takes place at the service level. Those are

the things that support General Odierno out on the field, and they may be anything from the tactical human collectors to local SIGINT collection.

There is another level up which is in what is called our Joint Military Intelligence Program. And that includes airplanes like Global Hawk or the EP–3s that do surveillance and take pictures.

It is already the case today that the Director of Central Intelligence works with the Secretary of Defense in deciding what that program ought to look like. However, those aircraft, for the most part, are under the direct authority of the Secretary and the combatant commanders to execute operational-level activity. So they fly, in the case of the Global Hawks, over Iraq or Afghanistan collecting the necessary information to support combat operations.

The third level are those things which are known as the combat-support agencies and the members of the national Intelligence Community. And as I said earlier, over time a partnership has been forged between a Director of Central Intelligence, who has day-to-day tasking authority over the satellites operated by those agencies and the data that is collected by them, with the Secretary of Defense having the ability to have those organizations operate as combat-support agencies under the appropriate sets of circumstances to support military operations.

So you have a tiered arrangement here which, over time, has left tactical intelligence and related activities (TIARA) primarily in the Department's control, although the DCI has some influence; JMIP, where his influence is much greater; and then the national systems, in which there is an equal partnership between the two.

The CHAIRMAN. I thank the gentlelady.

The gentleman from Connecticut, Mr. Simmons.

Mr. SIMMONS. Thank you, Mr. Chairman.

Yesterday, the Chairman of the committee——

The CHAIRMAN. Excuse me, Mr. Simmons? I have forgotten Mr. Bartlett, and that is a misdemeanor in three counties in Maryland.

Mr. SIMMONS. That would be a tragedy.

The CHAIRMAN. The gentleman from Maryland is recognized.

Mr. BARTLETT. Thank you.

General, we remember your hospitality when we visited Iraq just before last Christmas, and you escorted us to the spider hole. And I think all of us stood down in it. I think I was the only member who laid down in it. I may have been the last one to do that, because I understand it is now covered with concrete.

Well, thank you very much for your hospitality.

Gentlemen, as you know, a big percent of all of the appropriated funds for intelligence goes through—the authorization through our committee and the appropriations through the relevant Appropriations subcommittee. Each of our services has embedded intelligence assets, and we have service-wide intelligence assets.

Is it your understanding that the Commission recommended that this new intelligence director have responsibility for that funding and have the ability to change it and to hire and fire? Is that your understanding?

Secretary CAMBONE. I do not think that is what they intended.

Mr. BARTLETT. But, sir, I hope that is not what they intended, because I could not possibly see some bureaucracy in Washington starving our military services for the intelligence that they need.

Now, clearly we cannot continue with the stovepipe kind of an arrangement that we have now, but in today's world with computers and so forth, isn't it perfectly feasible that we can keep on doing what we are doing? There is an old adage that says, "If it ain't broke, don't fix it." There is no indication that the intelligence that we need for the day-to-day operation of our military is broken and that we need to fix that.

In today's world, isn't it perfectly feasible for the military to keep on doing what it is doing in intelligence gathering and use, and to permit someone to have access to that data?

We may very well see things there that do not have very much meaning to us that when put together with information gathered elsewhere, by others, would have a great deal of meaning. Can't we in today's world have that happen without having this imposition on our control and use of our data?

Secretary CAMBONE. Sir, there is no question, as I said earlier, that we have spent a good deal of time improving our relationships between the Secretary and the DCI and the respective organizations.

I think the issue that the Commission—and so therefore we, the Department of Defense, can continue to operate under this arrangement if that is what is called for.

But I think the larger issue that is being raised for us is, there are other users of information now, people who are in the law enforcement community, as well as the domestic side of the house, as well as in specific counterterrorism operations and so on, who are going to need a similar kind of access that has been afforded to our front-line forces and the people who do the analysis inside the Department.

So part of the issue is going to be, I think, how do we extend a relationship such that all of those other claimants and users can be satisfied, as well.

Mr. BARTLETT. But can't they look over our shoulder without impacting what we do? Isn't that possible in today's world for them to have real-time access to that data without their limiting our use of it and our control of it?

Secretary CAMBONE. If there are constructed databases to which access is permitted, the answer to that is yes.

But if you ask John Brennan, who is the head of the Threat Terrorist Integration Center, to come in and talk to you, and he shows you the spaghetti plate of IT relationships that he has had to establish, he would say, "Yes, I can do it, but it is kind of hard the way I am doing it today. If I had a National Intelligence Director who could establish those IT standards and protocols, my life would be a whole lot easier."

Mr. BARTLETT. Do we have an objection to standardizing this, so that this can be universally available?

Secretary CAMBONE. No, sir.

Mr. BARTLETT. Okay.

Secretary CAMBONE. None whatsoever. In fact, we have been pushing very hard to do just that.

Mr. BARTLETT. Do we have some assurance then that there is going to be a really strong push back on our part if there is any move to have this intelligence director control our data collection and how we control it and how much money we use and so forth?

Secretary CAMBONE. As I said, sir, the product of that relationship cannot be undone or disturbed. And how we arrange the relationships are something that I have to leave to you here in the Congress and to the President and his advisers.

Mr. BARTLETT. If we need legislation to make the right thing happen, you will help us understand what is needed——

Secretary CAMBONE. Certainly.

Mr. BARTLETT [continuing]. So that we can make sure that our acquisition and use of data is not negatively impacted by any organizational changes that might be made?

Secretary CAMBONE. You can be assured that if you ask us to come up and talk about those things with you we will be here to do so.

Mr. BARTLETT. Thank you, sir.

The CHAIRMAN. I thank the gentleman.

The gentleman from Rhode Island, Mr. Langevin.

Mr. LANGEVIN. Thank you, Mr. Chairman.

Gentlemen, thank you for your testimony here today.

Over the past couple of days we have heard a great deal about the difference between tactical intelligence and national strategic intelligence and who would basically exercise the authority over these two types.

So, Dr. Cambone and Admiral Jacoby, I wanted to know if you could further explain the current policies and procedures for handling intelligence that is collected at the field level, whether through submarines, unmanned aerial vehicles (UAV) or other systems, and how that information is analyzed and disseminated to the other services and also within DOD in general.

I know we have touched on some of this already, but if you could elaborate on that. But also, and most importantly, who decides if any of the intelligence collected at the tactical level has a value as strategic intelligence to the CIA or other agencies?

And General Odierno, I would be interested in further hearing from you and your firsthand view of how these operations actually work in the field, as well.

And finally, what would be the impact, if any, of the 9/11 Commission's recommendations on the existing system?

Admiral JACOBY. Well, let me start. First, the idea that there is some kind of differentiation between national and tactical, we need to move beyond that. I mean, the distance of who is over the next hill may well come from, you know, a SIGINT satellite or an imagery satellite that is considered national today. So we really need to move, you know, to the overused term of seamless availability to that information.

Now, today, to the question of who decides about submarine collection or UAV collection and who gets it, it is basically decided today by who has a stated requirement. Now, for me that is industrial-age approach. What we really ought to do is move into a world where it is broadly available and people who may have a need have access to it.

But today, basically, it is news to the people who ask the question that caused the collection to take place on the front end.

We, at DIA, play a major role in this. We are the spokesperson for the Department in terms of putting collection requirements against the national systems. We speak both for the commands and for ourselves as part of that apparatus.

The other way, we are the focal point for needs from other departments and agencies for access and collection by military units. So we are, sort of, at the intersection of that.

But today it is quite requirements-driven. And what I am proposing is that we really leap on the 9/11 Commission recommendations that we move to a different way of doing business.

So we are in the business of doing the coordinating. The deciding is done based on the requirements. And then we play a heavy part in making sure that that information is made available back to the requester.

General ODIERNO. Sir, a couple comments.

First, it all goes back to the all-source analysis system that we have. So whatever information we get on the ground, we can put into this all-source analysis system, which is available down to the battalion level today, which then becomes readily available to anybody in the system that can look at the information.

Now, it is a lot of information. So the pieces, marking it in such a way where they can see it.

But more importantly, on the ground, it is to have national reps there with you. When we have, for example, somebody from the NSA, CIA, for example, on the ground working with the tactical commander on a daily basis, you can then link into his systems and point out the most important pieces of information that we are getting and then him also to give us the most important piece of information that they are getting through the national assets.

And that is the joint concept that we all work under as we are deployed. We have to continue to work that hard. And it is getting better every day, but we still have work to do in those areas. And that is what we have to do on the ground in order to make this seamless transition of information that is so important.

The one comment I would make is, as we work our way through this, the most important thing to me is facilitating the availability of pertinent information at the right place and the right time. And that is why I see us headed here both at the tactical and strategic level—I will talk to the tactical level—getting me the pertinent information and somebody who can facilitate in such a way that I can get it quickly so I can action it very rapidly on the ground to get rid of our enemies no matter where they might be.

Mr. LANGEVIN. Have you made recommendations for a change in the past and it has not happened or is this something that——

General ODIERNO. No, I think it is something we are working on. We did talk about these teams on the ground, which came later on once we were there for a while. It helps us to facilitate that information. And we have to make that part of the normal—as we stand up these task forces, make that a normal part of the organization. I think we are on the way to doing that.

Mr. LANGEVIN. Thank you, gentlemen.

The CHAIRMAN. I thank the gentleman.

The gentleman from Connecticut, long-suffering Mr. Simmons.

Mr. SIMMONS. Thank you, Mr. Chairman. I am glad that Mr. Bartlett got out of that hole and came back and joined us. It is reassuring to know that you let him out.

Mr. Chairman, yesterday, you said that the 9/11 Commission report promises to break a lot of rice bowls. And I agree with that. It does promise to break rice bowls.

But what I would like to suggest is that we also build some rice bowls. And one of the rice bowls I would like to build is open-source intelligence, or OSINT.

We know from experience that it is relatively cheap. We know it is cost-effective. We know it is transferable, so one agency can pass this intelligence to other agencies without fear of loss of sensitive sources and methods. And we know it is exportable, so a military officer for the United States, let us say, deploying to work with military officers from foreign countries can actually share this information fully and completely.

When I look at the chart, however, of the 9/11 report, open-source intelligence only appears in one location. And it does not appear under the deputy national intelligence director for defense intelligence. And this puzzles me, because I know the Defense Department has been doing some really revolutionary work in this field.

I know that the Special Operations Command Joint Intelligence Center has an OSINT cell that some say is responsible for up to 40 percent of their intelligence. I know that these special operations forces have a new draft of an open-source intelligence handbook that they are working on at Fort Bragg.

We know that open-source intelligence is taught at Fort Huachuca. Mr. Ben Benavides out there has been doing a great job. We know that it is used at the National Ground Intelligence Center down in Charlottesville, Virginia.

So my question is, what are we doing at an the Office of the Secretary of Defense (OSD) level to create a focal point for open-source intelligence? What are we doing in the Defense Intelligence Agency to develop this capability?

And, General, for you, when you mention SIGINT, IMINT, HUMINT, MASINT, I did not hear OSINT. Did I miss that? I wonder if you gentlemen could comment on——

Admiral JACOBY. Sir, let me take the lead.

The all-source push that I am advocating, a major portion is unclassified information. And we are in the process, as part of our reengineering the way we do business from an IT standpoint, to bring open-source information in, and if it is not already XML tagged or otherwise usable in this modern environment, to tag that information and make it part of our data.

So I think you are right on the mark in terms of the wealth of information and the breadth that it can bring to our analysis. I do not think that we need to treat it as a separate entity. We need to treat it as another input and make it part of the richness of this all-source environment.

So we are absolutely, completely on board with what you are talking about. And we are trying to make it part of this more modern information environment and make it available broadly to

users just like any other bit of information that could be coming into the system from any other source.

General ODIERNO. Sir, I would just comment on, one of the issues we are working hard is what we call information operations, which is how we deal with open source information. But it is a very new concept that we continue to develop, so it is not yet developed fully where we are getting the most out of open-source intelligence that we need to.

And IO, which we call information operations, is somewhat separate sometimes from intelligence collection. We've got to get that together. And that is something we try to do together at the tactical level. We bring these two together and we try to bring that and make decisions.

So we have to work through that. That is an extremely important point.

I would last say, it might be a little bit outside of what you asked, but the other thing—and I know Admiral Jacoby is working through this, as well as the Army G–2—is the classification of intelligence.

What happens is, we classify some things because of how it is collected, and then it is not available to users. And we got to work our way through that. And we lose some important information based on that. And I know we are working our way to fix that.

But that is critical, because what will happen is, it will be classified so high it is limited distribution, and then the people who need it do not get to see it. So we've got to work our way through that.

Mr. SIMMONS. Never gets to these people, in other words.

Admiral JACOBY. The key part of that is to separate the content of what is collected from the source and get the content out the lowest possible classification level. That is inherent to what I was talking about, sir. It is an absolute fundamental building block.

The CHAIRMAN. I thank the gentleman.

The gentleman from Tennessee, Mr. Cooper.

Mr. COOPER. Thank you, Mr. Chairman. This is an unexpected prompt pleasure. Thank you.

It strikes me that we may already have a national intelligence director. He does not have that title, but there is a man in U.S. Government who controls some 85 percent of defense spending and has the power to hire and fire. And that person would be the Secretary of Defense, Secretary Rumsfeld.

It is little surprise to me that he may be reluctant to lose some of that power and have it shifted over to another individual. And I do not mind an individual having that amount of power, as long as it is, you know, wisely used.

I would like to ask, what is the record of the various Pentagon intelligence agencies so far? How would you grade yourselves in terms of accuracy and timeliness and things like that?

I do not question your patriotism, I know you are all fine Americans doing a great job, but a few weeks ago, retired General Jack Keane testified to our committee, and one of the sadnesses of this job is we tend to get more honest testimony from those who have retired.

And he pointed out, for example, that he thought that the Pentagon had been seduced—that is the word he used—by Iraqi expatriates in misleading us in the postwar planning.

He also indicated that the amount of prewar planning, he described it like this, a large bucketful, he described the amount of postwar planning as being about like this, a thimbleful. And this is from General Jack Keane.

So how should the American people judge the effectiveness of DIA and the other various defense intelligence agencies' work? I mean, according to the 9/11 Commission, of the 15 U.S. intelligence agencies, the one with the best track record, at least recently, is actually the INR and the State Department, one of the least well-funded and one of the smallest, but one of the most independent of the intelligence units.

So how is the average voter back home to judge? Here you all already have the power, and when you want something done, this committee jumps to action. But now you do not want much done, and you are, as I described yesterday, sweet-talking and slow-walking this report to death.

And I want to hear valid concerns. We want to work with Pentagon attorneys to adjust the drafting, to get it right. No one wants to interfere with the fine works of our troops in the field.

But people are worried that we are not doing the job that the American people deserve today. And we have in front of us the folks—two of them, at least—who are among those most responsible for that. So let us find out, how would you grade yourselves?

Secretary CAMBONE. Let us take it in that set of categories that I gave you earlier, between those things which are part of the NFIP, or the national programs, the JMIP programs, and the TIARA programs.

From the point of view from the NFIP programs, I think our signals and imagery people have and continued to perform well. They would, probably sitting here, tell you candidly that they would like both more assets to collect and more people to do analysis. And they would like more equipment to analyze the information and disseminate it. But they respond well and quickly to the full range of requirements that are set upon them.

On the analytic side, which is what I think that you are raising—and I will let Admiral Jacoby answer this—we, in that sense, operate in two environments. One is the environment in direct support to the operation of the forces, as the admiral said in his one hat. And in his other hat, he is a member of the National Intelligence Community. And he can speak to their performance in both cases, but I think you need to understand that there are those two venues in which he operates.

At the tactical level—and, again, General Odierno can respond to this—we have improved beyond where we were 18 months ago in ways that I think are marked and impressive. And the Army intends to do even better as a case in point. I think it is the intention of the chief to add some 9,000 people to their intelligence capabilities to support their tactical operations.

So that is, sort of, the spectrum of what we have done.

Do you want to say a few words about——

Admiral JACOBY. Yes, I think we have looked hard at the support for the planning and maneuver phase of both the Afghanistan operation and the Iraq operation. And I think that would give us good grades. We have a lot of work to do in terms of the all-source and the IT and information-sharing part that I talked to, and tradecraft and moving into new missions are clearly an area that we are working hard at at this point.

Secretary CAMBONE. But, Mr. Chairman, if I may just finish the point, I would be happy to offer, on behalf of the Admiral here, to come by and brief you and other Members of the committee on the lessons learned that we have done on the weapons of mass destruction (WMD) issue, on Iraq and on Afghanistan. Admiral Jacoby has done them all. So we are happy to come by and talk with you about those.

The CHAIRMAN. Why don't we provide that and maybe provide an answer in writing for Mr. Cooper? And the one last area that he mentioned, the statement by General Keane about the analysis with respect to the Iraqi expatriates. I think that would be an important piece of that response. Let us get that to them.

[The information referred to was not available at the time of printing.]

The gentleman from Virginia, Mr. Forbes.

Mr. FORBES. Thank you, Mr. Chairman.

And thank all of you for the job that you have done and are currently doing.

And one of the things we hear a great deal about is the collection of data and then the dissemination of that data, but I am also concerned with how we make decisions from the data that we have.

And particularly, one of the things that I think is one of the greatest opportunities we have is the technology we have in utilizing, modeling, simulation and visualization, especially when you talk about some of the things you have mentioned, like joint mission focus, joint training and joint planning. I think that technology offers us the opportunity to save lives and money and time.

And my question for you today is, how are we using that technology in the intelligence arena today? And is there more we need to be doing from a congressional point of view to increase our capabilities there so we can utilize it more? Because I still think we are still on the tip of the iceberg of what we are capable of doing in that whole arena.

Admiral JACOBY. I agree totally, sir. We are down with the Joint Forces Command battle center talking to them very explicitly about which of their models can port over to the intelligence, a problem particularly that, you know, sort of, the preplanning phase.

We are putting people there with them. We have people down for each of their exercises, and as we move into this modern IT environment we are talking about with data that is tagged so that it can be used effectively, it is not just by analyst tools, but also it can be used effectively for modeling a simulation.

So we are—it is part and parcel of our IT modernization part that we talked about and getting the information in formats where these tools can be applied without having to do an awful lot of manipulation for each scenario.

Mr. FORBES. One of the things that I would just encourage you perhaps to give us some guidance on, too, is how we can reach an even greater synergy between what we are doing from the government perspective and also the private sector.

Because, as you know, both of those just have incredible capabilities, and they are just cutting their teeth on all this now, but if we can do something to push them further and help reach that synergy, the opportunities we will have, I think, are just enormous.

Admiral JACOBY. And we are relying almost totally on private sector and commercial rather than government-developed capabilities, sir.

Mr. FORBES. Thank you, Mr. Chairman.

The CHAIRMAN. I thank the gentleman.

The gentleman from Georgia, Mr. Marshall.

Mr. MARSHALL. Thank you, Mr. Chairman.

In the Commission's report, on page 344, they have a section that is called Institutionalizing Imagination. And the first sentence of that section is, "Imagination is not a gift usually associated with bureaucracies."

In his book, "Against All Enemies," and in repeated testimony and op-eds, Richard Clarke has talked about the bureaucratic culture that exists within our Intelligence Community, one that promotes uniformity, risk-aversion, mediocrity, and what the Commission here describes as group-think.

If you read "Imperial Hubris" by Anonymous, you get the same criticism. And then I have also seen op-eds by others who have left the Intelligence Community—I cannot cite names right now—saying the exact same thing, that there is a culture within the community that suggests a lack of imagination, inability to analyze information in a way is going to foster greater security for the United States.

And I guess my question to you, gentlemen, is how would the bureaucratic restructuring of our defense community institute imagination? As the Commission says, how do you bureaucratize imagination? And it seems like an oxymoron right there, just mentioning that.

But how do we do that? I am sure that these criticisms that have been leveled at our Intelligence Community are not news to you and that you have been working on trying to do that, to create a culture that fosters imagination. And I would like to hear how restructuring can accomplish that or what is being done right now to accomplish that.

Admiral JACOBY. First, I do not think restructuring addresses the issue, sir. And I agree with the Commission. We had a heavily risk-averse kind of a mindset, which then, obviously, works against imagination. So what have we done about it?

First, the key thing for us is significant hiring of young people; tradecraft, training that emphasizes very heavily, you know, methodologies for alternate analysis; new relationships that we have put in place with academic and think tank and other outside-of-the-intel centers of analytical excellence to come in and look at our work and challenge our assumptions, sometimes the assumptions being underlying assumptions that were not explicit in the process.

So trying to bring outside expertise to the problem plays a big part in it for us.

And rewarding people for making a strong case that is the alternative view. And in our recognition programs, our evaluation programs and in our award and reward programs, we are emphasizing that that is something to be cherished in the process.

So we are trying to come at it in a cultural attack rather than a structural attack.

Mr. MARSHALL. I know if I am looking for a memo from an associate as a lawyer, what I want are both sides of the argument and the proof that backs up both sides of the argument. And when you say rewarding alternative points of view, is that what you are getting at: basically insist on multiple voices being heard?

Admiral JACOBY. And the value of being able to put together that argument. I mean, the professionals are putting together that argument. Even if it is the alternate view, is it a well-researched presented argument with the fact? What do we know? What are the unknowns? What is our assessment in the strength of the conviction behind that assessment?

Mr. MARSHALL. You could almost create a scale—most reliable, least reliable, the different kinds of evidence that supports different conclusions—and make that sufficiently uniform that when people see these things, maybe completely unfamiliar with the underlying facts, they have a gauge that they are familiar with—though they are unfamiliar with the underlying facts, a gauge they are familiar with in trying to make an assessment concerning the reliability of the intelligence.

Admiral JACOBY. And the other piece besides making that, sort of, personalized assessment is then to hold it up to scrutiny by an outside group and let them go through, the doctoral dissertation process: present your case and let us poke holes at it. And those are things we are trying to institute as a way of doing business.

Mr. MARSHALL. Thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. I thank the gentleman.

Gentleman from South Carolina, Mr. Wilson.

Mr. WILSON OF SOUTH CAROLINA. Thank you, Mr. Chairman.

And I would like to thank all of you for your service, and in particular, as we are talking about the Department of Defense and intelligence, our Chairman, Duncan Hunter, yesterday pointed out that the 9/11 Commission report was really not critical in any way of DOD intelligence. And, in fact, there was no real identification of shortfall or shortcomings in terms of intelligence related to 9/11 in preparation for the war on terror. And I want to congratulate you on your efforts and what you have done for our country.

Additionally, yesterday, it was really exciting for me to be here with Governor Kean and hear his presentation, to hear Congressman Hamilton. I believe that the 9/11 Commission report, as they presented it yesterday and explained it, was extremely positive. It was nonblaming, which I think is so important as we try to protect the American people. And then, additionally, it was just absolutely so constructive.

In fact, as we talk about it being constructive, I believe that the President has already initiated reforms that can be taken to another step.

First of all, the Terrorist Threat Integration Center that he had proposed in the State of the Union address, which has been implemented, and then with the additional efforts of the national security adviser, these appears to be superseded now with the National Intelligence Director, the National Counterterrorism Center.

And Mr. Secretary, if you could please tell me how you feel that the additional reforms, transformations that have been proposed—how indeed this is a step beyond the Terrorism Threat Integration Center?

Secretary CAMBONE. In the case of the proposed National Counterterrorism Center, which would replace the so-called TTIC, or Terrorism Threat Integration Center, that the President put in place, it would have added to it, the NCTC would, responsibility for looking over the range of plans that are within the various components of the government, to assure that those plans are consistent with the intelligence reporting first; but second, in light of the intelligence reporting, whether the appropriate actions were being undertaken by those components of the government, to anticipate, disrupt or respond to that intelligence in good time.

So the added dimension here is that there is a shorter span, we hope, between recognizing that we have an issue or a problem that we have to deal with and animating the appropriate response out of the government. And I think that is especially what the President is looking to accomplish.

Mr. WILSON OF SOUTH CAROLINA. And as these reforms are put in place, would there be a dislocation of staffing or personnel or offices or whatever that could—what would be done to make sure that during the interim, as the reforms are in place, that indeed we do not have gaps in terms of what we are all trying to accomplish, which is connecting the dots?

Secretary CAMBONE. That is right. And that is the function of resource allocation, if you will, particularly amongst skilled analysts. And it will be the case, as it is today, that the various departments and agencies will be asked to contribute individuals to work in the NCTC, but a difference will be, I believe, relative to the TTIC today, where you are assigned on detail—you are there as a temporary appointment—you would, in fact, be working in the NCTC as an employee of that organization.

But the Department of Defense or FBI or any of the others will retain—will retain the necessary capability to support their statutory missions. That is my understanding of how we are going to do this.

Mr. WILSON OF SOUTH CAROLINA. And the distinction between operational activities and reporting activities, analysis activities, all of these would be in place without interruption?

Secretary CAMBONE. That is my understanding, sir. I mean, I think people see the NCTC setup as being a relatively simpler undertaking and one that could probably be done fairly seamlessly.

Mr. WILSON OF SOUTH CAROLINA. Thank you very much.

And I particularly have an interest—I have a son who is an intelligence officer currently serving in Iraq. So he works for you. Thank you. I am very proud. Thank you.

I yield the balance of my time.

The CHAIRMAN. I thank the gentleman.

The gentlewoman from California, Ms. Davis.

Ms. DAVIS OF CALIFORNIA. Thank you. Thank you, Mr. Chairman.

Thank you to all of you for being here. I certainly appreciated the opportunity to meet with you, General Odierno, in Iraq, and thank you for your work with the troops and also with the community.

I wonder if we could go back for just a minute to lessons learned. You mentioned that you would like to talk to us about those issues, and I know that we appreciate that. We certainly would appreciate that here, as well. And whether, in closed session, if that is necessary, but also in this session today.

We have talked a lot theoretically about what the changes that the 9/11 Commission is recommending would mean. But I think it is important for people to bring it down to real terms that they know and understand and that they have experienced themselves.

Could you please give us the most salient lessons learned as it relates to Iraq and particularly the rise of the insurgency? How do you think that information could have been differently collected, better collected, differently shared?

We talked about the filtering of information. What is it that we are not getting?

I asked yesterday about the Office of Special Plans within the Pentagon. I understand that is not something that we see, necessarily, on an intelligence chart. What about that informal intelligence, casual intelligence? How would you characterize that? How can we better understand the interplay of that kind of information?

Secretary CAMBONE. One of the things we have not talked about—and I thank you for your question—in the phrase of the radio commercial we all hear for a particular clothing store in the Washington area, is whether we have informed consumers. Are we informed and sufficiently engaged with the information, the people that are bringing the information to the users so that two things can happen?

One, we can query them about what they know but are not reporting, because for some reason it is not—they do not think it is germane, or they have made some judgment about my interest in a subject and therefore would not think to bring it forward in a written report. But when you engage with them directly, there is a richness to that which I have found to be enormously helpful.

So this goes to Admiral Jacoby's point about information left behind as a finished product is pushed forward. And so, therefore, you need the opportunity to go in and look sometimes at the bits and pieces rather than the finished product.

The second things is that we probably ought to also talk about the responsibility that the consumer, the policy-maker has in being a little more clear about what it is he expects in the way of information.

Because if we are going to insist that the analyst bring us the answer or bring us the proof, or bring us the unimpeachable case,

we have done them an enormous disservice, and we will prevent them—and have prevented them, in my view—from, in fact, doing what Mr. Cooper was asking, which is bringing forward those alternative views.

Because if you say to someone, "Bring me proof," well, they are going to be reluctant to bring forward anything but the narrowest definition of what the proof might be.

So we, as the consumers, need to open their apertures. We need to allow them to make mistakes. We need to come to the point where we say, "It is not the intelligence which made me do something. It is that I took that intelligence, I married it up to what I see, my experiences that I have had, the purposes of the country, the circumstances in the world, and a decision is made to act."

That, I think, is the other half of the equation that we need to talk about.

Admiral JACOBY. I would like to give 50 seconds worth of bullets.

We learned that we were too narrowly defining what defense intelligence was. Our focus was very heavily on the maneuver and conventional force employment. We did not have the cultural awareness and other kinds of skill base that it took for the post-maneuver phase operation.

We are undervalued and underinvested in tactical HUMINT, because much of what we need to feed the understanding comes from, you know, the tactical collector.

We have not emphasized flowing information up the chain of command. For most of my career, things flowed down. The best information was at the national level and it came down. So we are not set up in practice in capturing those little observations of daily events that happen at the tactical level to be able to bring them into a larger picture.

And then, as Dr. Cambone said, we filtered out most of the relevant information for the present circumstance early on as being noise, as we focused on the military maneuver requirements. And we filtered out a lot of information that we desperately need today.

Ms. DAVIS OF CALIFORNIA. Thank you. I appreciate that. I guess the heart of that question is why, and going back through that.

Thank you very much. I appreciate it.

The CHAIRMAN. I thank the gentlelady.

The gentleman from Oklahoma, Mr. Cole.

Mr. COLE. Thank you very much, Mr. Chairman.

And thank you, gentlemen, for being here.

I want to put a proposition to you, Mr. Secretary, and then maybe have you respond.

I think we have gone through a process where a lot of folks read the recommendations of the report, but not many people bother to read the report, just judging by the commentary that we have had over the past several weeks.

When I read the report, you know, I find the failure, frankly, to be more attitudinal than I do organizational. You know, we did not perceive, as a country, the nature of the threat in front of us. We underestimated the capability of the enemy that we had. Frankly, we were probably pretty complacent about our own ability to defend, in a very real physical sense, our shores and our space.

We saw the issue of terrorism as a law enforcement issue. Some still do. Seeing terrorists, really, as—and terrorist incidents as crimes rather than attacks, and I think there is a very big difference. We responded to the first World Trade Center incident as a crime, not as an attack on the United States of America.

So my instinct is, now, having gone through 9/11, we know a lot more. We really do understand, in a way, frankly, and we had to pay for that understanding a very bitter price. And the way that we did—and so my instinct is there is a lot more cooperation now. There is a lot more focus on the nature of the threat. There is a lot bigger realization of the danger.

And that, to me, is a lot more important than the structural changes. As a matter of fact, that is where I would agree with the statement you made earlier that we run a big risk—or an implication of a statement—of wasting a lot of time in structural changes, some of which can be very good, but a system—had the system the 9/11 Commission recommended been in place before 9/11, I do not think the result would have been, frankly, all that different, because I think the attitudes were not there among the personnel.

This is not a matter of we—there was some vital clue that had we known it things would have, like a light bulb, gone off and everybody would have instantly known what to do. We had a lot of education to do as policy-makers, as Congress, as a military. You know, I do not think the military was all that interested in terrorism per se, in that particular period. They certainly are now.

There was a lot of national learning that had to go on. I am not sure this structure would have created that. Might have helped, might have made us a little bit better, but I would just like you to respond to how much of this is an attitudinal problem, or was, as opposed to an organizational problem.

Secretary CAMBONE. It goes in part to the question of bureaucratizing imagination. That is hard to do.

On the other hand, part of what is being looked for in these proposed reforms are the two things that I tried to talk about in the beginning of my statement, which is recovering, restoring the art of providing indicators and warning of threat or threatening developments in events.

And that goes in part to your point about complacency. I mean, with the passing of the Soviet Union and the imminent threat that it posed, there was less attention paid to developing that talent, that art.

And it goes, in part, as well to the question of whether we have the right support mechanisms for presenting data in different formats so you can see things differently. We tend today to do everything off a sheet of paper, and it tends to dull the imagination.

So indications and warnings are something we need to work on very hard.

The second thing we need to work very hard on is moving the recognition of a threat or a data piece so people can use it and making that happen very much more quickly than it happens today. And so if there were failures prior to 9/11 that this set of reforms would fix, maybe it is that: more attention and indicators and warnings so people would be attentive, and second, moving

data more rapidly, data from the FBI to the CIA, to the people who could use it.

Mr. COLE. I think that would help.

I would just put this, as my time concludes, as a point we ought to think about. In another lifetime, I used to do a lot of political polling. And I can tell you what the American people's interest level in foreign policy and defense was in the 1990's and I can tell you what it is today, and it is dramatically different.

You know, Harry Truman, at the beginning of the Cold War talked about how we are going to have to scare the hell out of the American people about the Soviet Union to make them understand the nature of the threat and to undertake the commitment that it was going to take for two generations to deal with the problem.

I would suggest that this was as much a failure of the political leadership to educate the public at that time and to understand, as it was some sort of bureaucratic or institutional failure.

Now, again, that does not mean we cannot get better at what we do and there aren't lessons to learn. We can.

But we ought to step back and indict our national political leadership, which I would include myself among, and look in the mirror as the American people and say, "You know, we just did not get it. We really did not see this coming. We thought we were pretty safe and pretty secure and we did not need to worry about these things anymore." And we paid a terrific price for it.

I think you gentlemen have done a great job since we paid that price in responding to it. So thank you.

The CHAIRMAN. I thank the gentleman.

The gentleman from Hawaii, Mr. Abercrombie.

Mr. ABERCROMBIE. Thank you very much, Mr. Chairman. Good morning and aloha.

Major General, it is nice to see you again here in this context. I, too, want to add my gratitude to you and your troops, for when the Chairman and I came to Iraq, I think, first folks that actually be on the ground in Iraq, and a lot has transpired since then.

My questions go more to Secretary Cambone. We had an opportunity just at the end of our informal conversation yesterday, Mr. Secretary, to discuss some of the fundamental nature of organizational structure that is implicit or, in fact, explicit in the 9/11 recommendations.

Most particularly, if you will recall my conversation, I think, is the best way to put it, about the National Security Adviser, the relationship of the National Security Adviser to the National Intelligence Director, the relationship of the National Security Adviser to the Secretary of Defense, and the organizations associated with the Secretary's responsibility, and the proposals of the 9/11 Commission, particularly with regard to the idea of the DCI, the Director of Central Intelligence, being replaced, in effect, by the National Intelligence Director, who would assume the roles of head of the Intelligence Community, an adviser to the President, but not head the CIA.

Now, the President has made his own recommendations within that context. The 9/11 Commission also asked that the National Intelligence Director would approve and submit nominations to the

President for head of the CIA, the DIA, the National Security Agency, et cetera.

In that context, could you comment or are you prepared to comment officially at this stage as to what the relationship—how you see the relationship then of the national security adviser to the National Intelligence Director in the context of what the DOD needs to do at the policy level? Set aside the warfighter discussion that we also had yesterday and has been a central focus up to this point of the two previous hearings.

Secretary CAMBONE. I enjoyed our conversation yesterday. And I thank the Chairman for arranging it for us.

I am not sure that I think it will have——

Mr. ABERCROMBIE. My role in life is to have enjoyable conversations. It is an assignment the Chairman gave me.

Secretary CAMBONE. But I understand that he is going to make you pay for breakfast next time, was the deal.

My understanding, again, is that the basic relationships will not change, in the sense that the task of the National Intelligence Director is to be the principal adviser to the President on matters of intelligence, not on matters of policy. The National Security Adviser is a consumer of that intelligence, as, in the case of Dr. Rice, she is also a consumer of advice given by the Secretary, by the Chairman, by the Secretary of State.

And her task, as I understand it, as she has executed it, is to pull that all together on behalf of the principals of the National Security Council, represent their views to the President, and in turn represent the President's interests back to the members of the National Security Council when they meet in the principals committee.

So I see this director as being someone who is going to have his focus unambiguously on the questions of what is evolving in the world of intelligence from his position of not having to run an agency, but being able to look across all of the community and advise the President accordingly.

Mr. ABERCROMBIE. Well, if I accept your analysis—and I do—as to what the role and the operational role of the National Security Adviser, then who is going to be in charge? Who can direct us? Why shouldn't the National Security Adviser then—well, let me ask you this before I make my point.

Do you think then—have you concluded in a hierarchal sense what the role of the National Security Adviser is in relation to the National Intelligence Director? Is he or she—and the President says she—in charge of, or over, or does the National Intelligence Director report through her to the President?

Secretary CAMBONE. I do not believe that that is the intent, sir, but I do not believe that the Secretary of Defense or the Chairman report through the National Security Adviser either.

I mean she, in that sense——

Mr. ABERCROMBIE. You just——

Secretary CAMBONE [continuing]. Is not seen as an operational—she is not an operational—has not been——

Mr. ABERCROMBIE. No, I am not asking that. I am not asking that. I am asking what would be the relationship, as you see it now, with what the President has recommended?

Mr. Chairman, if you could just indulge me 30 seconds here——

The CHAIRMAN. All right.

Mr. ABERCROMBIE [continuing]. Trying to get this answer because we cannot make a decision in here——

The CHAIRMAN. Well, let us give Mr. Cambone a try to——

Secretary CAMBONE. I told you as much as I think I understand. I mean, at that point, I do not know——

Mr. ABERCROMBIE. Well, in conclusion of this portion of my time, would you agree that the precise nature of the relationship and authority and obligation need to be clearly understood before we can move forward and make legislative recommendations?

Secretary CAMBONE. And I have no doubt——

Mr. ABERCROMBIE. Okay. Thank you.

Secretary CAMBONE [continuing]. That when the President completes his review and decides how he wants to do this that there is not going to be ambiguity in these relationships.

Mr. ABERCROMBIE. Thank you.

Secretary CAMBONE. I cannot imagine that.

The CHAIRMAN. I thank the gentleman.

The gentleman from New Hampshire, Mr. Bradley.

Mr. BRADLEY. Thank you very much, Mr. Chairman.

General, it is great to see you again. The last time I saw you we were in a Black Hawk going from Kirkuk to Tikrit, and certainly the opportunity to have spoken with about 25 Iraqi policemen in Kirkuk was one of the highlights of the time that I spent there.

Over the last couple of days we have had a long discussion about reorganization, how a national intelligence director plays in with this, stovepipes, sharing of information, but it has focused on reorganization.

And I look at a couple of the themes of the 9/11 Commission report, and that was the failure of imagination and lost opportunities.

So my question is, how much of these intelligence failures can be laid at the feet of the fact that we have less intelligence assets today than we had in the 1990's to not only these lost opportunities, but the failure of imagination? We have less CIA human intelligence agents, less listening posts and that type of thing. That is number one.

And number two, if there is going to be a reorganized effort, how can that improve the long-term acquisition of overall intelligence in a reorganized system?

And I thank you.

Secretary CAMBONE. I will leave Jake to comment a bit as well on the first question, to which I would say that I think that there is some impact in the drawdown that took place during the 1990's in the overall intelligence capability of the country, primarily in two areas.

One would be the analytic corps, a corps of analysts who we rely upon. As a consequence of that drawdown, the average age and experience of our people is short and young, that is experience and age. That is not bad, it is just a fact. And therefore they may not have had the breadth of experience and so forth.

And the second area where there was a drawdown was clearly on the human intelligence side of the house, and that was clearly

drawn down quite substantially and significantly. And that loss affected us not just prior to 9/11, but we continue to feel that loss.

Now, in terms of a reorganizational approach, if we have an arrangement in which the national intelligence adviser is able to lay down a set of requirements for the kinds of people he wants to bring in, their backgrounds, their language skills, recruitment, and then he sees to their care and feeding and development over time as analysts, transfers them from DIA to CIA to NSA, back over to FBI, make sure they get some time over at Treasury, so that they become rounder in terms of their experience, see the problem from more than one perspective; if he can do those kinds of things and has that kind of flexibility within the system, I think what we will get are higher-quality analytic products out of those individuals.

And then, last, if he insists that those analysts now that he has worked so hard to develop, in fact, are put in the position of driving collection, they need to be the ones who say, "I do not understand something; please go out and get me more information," rather than the situation we have today, where they send in a chit, sometime later some product comes back, and that is what they have to work with. That is not how we do it. We have to have a much more interactive arrangement. And, again, I think a national intelligence director can make that happen.

Admiral JACOBY. Mr. Bradley, you ask a great set of questions.

I do not think it was the drawdown of the 1990's that hurt us so much. It was the fact that we could not restock the shelves. And so we basically made no hires. And so we were not bringing in new talent and training them. And so we do have a very young workforce now that is part and parcel.

We also did not have the investment money to put into modern information management techniques and that all-source approach that I talked about in my statement. So we are catching up. And those were desperately felt impacts.

I second Dr. Cambone's discussion about jointness. I would offer one caution. Most of the discussion so far about moving people around to promote a community approach talks about breadth of experience. We need to, at the same time, husband and harbor depth.

And so movement for its own sake has some advantages, but for those areas where we need depth over time, we are going to have to have a very specific investment program there that is a little different then, you know, the jointness in a military three-year tour kind of a way.

Mr. BRADLEY. Yes. I thank you for that answer. It would seem to me that, as we talk about reorganization—I totally agree with you—we have to refill the shells and make sure that we actually have enough assets in place, or else we can reorganize all we want. We are just moving things around to no greater avail.

The CHAIRMAN. I thank the gentleman.

The gentleman from New York, Mr. Israel.

Mr. ISRAEL. Thank you, Mr. Chairman.

And thank you, gentlemen.

And let me say in particular, General Odierno, I want to thank you. You are very popular in my office and in my district. We have a very large photograph of Mr. Weldon and I presenting you, in

Ballad, with a Bay Shore Fire Department sweatshirt. And, in fact, that picture hangs in the Bay Shore Fire Department on Long Island.

The first two Long Islanders who were killed in action both came from the same community in Bay Shore, and we were honored by your hospitality in Ballad. And I know that meant a great deal to those that I represent in Bay Shore.

I would like to take the questions literally in a different direction, because for the past two days, we have been focused on two specific directions, vertical bureaucratic reform, putting an NID atop a pyramid, a horizontal bureaucratic reform, better coordinating across a plane of different agencies and congressional entities.

But I thought that the most instructive chapter of the 9/11 Commission report dealt not with horizontal reform and vertical reform; it dealt with our glaring inability to see ahead, to analyze cultural conditions that are creating fertile ground for the next generation of terrorists.

We have, in my view, undervalued and underbudgeted agencies within our military that are trying to do just that. The Center for Army Analysis has extraordinary personnel who are charting a broad range of conditions—demographic conditions, population, governance, empowerment—and predicting what the military flash points are going to be over the next several years.

In 1999, Army intelligence produced an extraordinary study that, in my view, foretold the likes of Muqtada al-Sadr and Zarqawi before we even knew their names, based on demography and population and cultural influences.

My question is, should we be thinking not just in terms of vertical bureaucratic reform and horizontal bureaucratic reform? Should we be investing more and putting more value into those rather obscure agencies and efforts that attempt to take a look at non-traditional intelligence and warn us of future problems?

Admiral JACOBY. We are reaching out exactly to those groups, the centers that the services have and so forth, for exactly the reasons that you point out, sir. So you and I are on exactly the same wavelength.

And whether it is inside government, or whether it is, you know, think tanks or academia or other places, that is where this information resides that we need to work with.

You all see in my testimony over the last couple years about a major discussion about demographics and so forth that fuel some of the problems that we have that are going to be problems in the future.

And what we have done inside DIA is some basic reprioritization and taken some of those issue areas and say, "Those are issue areas that might not have traditionally been viewed as a defense analysis problem. They are issue areas that we need to master. We need to master so that, you know, a force on the ground understands the cultural and other associated issues that they are likely to encounter, but also to provide the earliest possible warning of either threats or evolving opportunities."

So, sir, we are right on the same wavelength. And we are doing exactly what you talked about, bringing them into, and making them part of, our assessment effort.

Mr. ISRAEL. Admiral, if we can arrange for me to visit with you and go into this in greater detail, I sure would appreciate it.

Admiral JACOBY. I would welcome the opportunity.

Mr. ISRAEL. Thank you, sir.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, gentlemen.

The gentleman from Minnesota, Mr. Kline.

Mr. KLINE. Thank you, Mr. Chairman.

Thank you, gentlemen, all three, for being with us today to help us understand the impacts of the 9/11 Commission recommendations.

We have talked the last couple of days and some this morning about the impact on intelligence for the warfighter. We have talked about the role of the National Intelligence Director in budgeting and what impact that might have on NFIP, TIARA and so forth.

Mr. Abercrombie raised an issue a little earlier when he pointed out that one of the directions of the 9/11 Commission report has a national intelligence director, quote, approving and submitting nominations to the President of the individuals who would lead the CIA, DIA, NRO, NSA and some others.

And so my question to you is, looking particularly at those now, where the heads of those agencies are, as Admiral Jacoby, serving military officers, how does that differ from the way we do it today in the role of the DCI and the Secretary of Defense?

Secretary CAMBONE. Modestly, in truth. I know for a fact that the President—the Secretary inquired of DCI for all of the major appointments that he has made within the Department of Defense for those agencies. That, under current arrangements, the DCI has a concurring role in those appointments. And that, by law, if the Secretary disagrees with the DCI, then he needs to make that disagreement known when he, the Secretary, makes his recommendation to the President.

Now, there is a possibility that that process could be reversed somewhat, wherein it is the DCI who seeks out the Secretary's concurrence, and then it would be the National Intelligence Director who would then inform the President of any dissent that he may get from the Secretary of Defense or any other Cabinet agency.

And I think people are trying to work out that arrangement. And to your point and Mr. Abercrombie's point, I mean, those arrangements will be made out at the leisure of the President. It is he who will decide in the end how his executive agency department, within the scope of the statutes that are here—that are in place, he would make that process run.

Mr. KLINE. And it is your understanding, though, that having read, I am sure as you have, in detail the recommendations of the Commission that it is their intent that the National Intelligence Director have the final say there, as opposed to the current situation where the Secretary of Defense can move forward a recommendation noting, as you said, that the DCI disagreed.

And this would work just to reverse the—in your understanding, that the NID could move it forward and dependent upon, again, how the legislation and the regulations are put in place, a nonconcurrence by the Secretary of Defense would go forward.

But your understanding, I assume, would be that you, in your role as the NID's deputy, would play an important role in helping to select who those agency heads would be.

Secretary CAMBONE. Well, as I said in the opening, I am hoping to avoid the second hat.

But, again, it could be done that way. I do not know that it will be done that way. It could be done that way.

I think the commission was closer to hiring and firing, is where they were. And I think that there are—as I understand it—there may be some statutory limitations on the ability of someone outside of a Cabinet department to hire and fire people within a department.

So there would need to be some arrangements made if, in fact, the President wishes to change the current arrangement.

Mr. KLINE. All right. Thank you.

Mr. Chairman, I yield back.

Mr. ABERCROMBIE. Mr. Chairman, could I get 15 seconds of your time before you yield back?

Mr. KLINE. I gladly yield those 15 seconds.

Mr. ABERCROMBIE. Mr. Cambone, to follow up on this, the law presently says that where the National Security Agency, the National Reconnaissance Office, the Director of the National Geospatial-Intelligence Agency, must come from within the military ranks. Is that not—in the military command system. I believe that is the law.

Secretary CAMBONE. I do not think so, sir, because we have at the moment a civilian as the head of NGA.

Mr. ABERCROMBIE. Well, then, I am misinformed.

Secretary CAMBONE. I do not believe so.

Mr. ABERCROMBIE. Where they generally come from then?

Secretary CAMBONE. I think it is an either/or kind of thing——

Mr. KLINE. In which case, I will reclaim my time, sir, and yield back.

Mr. ABERCROMBIE. Well, it makes a difference in terms of—please do not. Just ten more seconds.

And maybe it is at the pleasure then of the Secretary. Generally, though, it has come from within the military command system. Is that not correct?

Secretary CAMBONE. That has been historically how we have done it. It is also the case, though——

Mr. ABERCROMBIE. My point being, or the follow-up being that this important, and again, it relates, Mr. Chairman, to the question of how we draft legislation or what we do, is that that is crucial then to—because the appointing authority presumably is familiar with the people like Admiral Jacoby and others and their experience within the system and knows who they are in the terms of their character, if you will, which I think, where intelligence is concerned, is vitally important.

The CHAIRMAN. I thank the gentleman. Both gentlemen's time have expired.

And the gentleman from Indiana, Mr. Hill.

Mr. HILL. Thank you, Mr. Chairman.

I want to depart from the normal line of questioning here and go back to September the 11th. I can remember when we were all

standing on the steps of the Capitol singing "God Bless America." It was one of the few times that I actually felt like I was in a nonpartisan environment. And I would hope that as we have these hearings, that we could get to that same level of nonpartisanship because of the safety of the people of the United States.

Last night and this morning, I was rereading what happened on September 11, 2001, and was again amazed by the amount of mistakes that were made.

We have 19 people in this country illegally that are plotting to kill Americans. They got through our security system. I was just reading about the hijacking of American Airlines flight 77 that actually was hijacked about six minutes after the second plane crashed into the World Trade Center, allowing—48 minutes later, it crashed into the Pentagon. And I am wondering in my mind, what happened?

You all were there at that particular time. I remember where I was. We, in part, depend upon you to keep us safe. I would like to hear from you what feelings you were having on September the 11th, where you were at the time that it was all occurring, and, in retrospect, aside from the 9/11 Commission's report, what do you think ought to be done to improve our intelligence.

Secretary CAMBONE. Sir, I was in my office, and at the time I had been assigned the responsibility as the number two person in policy. I had been assigned the responsibility for the crisis management department.

I was completing a staff meeting when the first airplane hit the World Trade Center. I thought it was a horrific accident. I asked the people who were part of the crisis management team to assemble downstairs in roughly 45 minutes to an hour.

I turned around, returned to my office. The second plane hit. We were downstairs in 30 minutes.

We were inside the crisis command center when the third plane hit the building. We immediately evacuated the building and then went down after a period of time to join the Secretary and the Vice Chairman, who had been here on Capitol Hill at the time, to begin preparing a response.

Among the first things that were done were there was a conference call that was in session. The Chairman joined it at roughly 20 minutes after the hour. The Secretary joined shortly thereafter. In that period of time, the two of them were consulted on the defense condition that we were going to establish. It was determined that the Secretary of Defense had the authority to declare defense readiness condition Defense Command (DEFCON) 3 on his authority. There was a discussion with the Vice President and the President about it. That decision was left in place.

And with that change from the DEFCON 5 condition to the DEFCON 3 condition, the rules of engagement for North American Aerospace Defense Command (NORAD) changed. And they went from a situation in which, as I recall, their primary mission was to trail and report, as in the case, for example, of the Payne Stewart incident about a year or so earlier, when the crew and passengers had somehow become incapacitated. They go from trail and report to being in a situation where, depending upon the hostility displayed, they are in a position to engage.

The express authority for them to engage worked its way through a series of levels of command. And it was roughly at the time that the aircraft impacted in Pennsylvania when the flight crews were being informed that they now had authority to engage.

From that moment on, during the course of the day, the Secretary reengaged the President and the Vice President and others to work on two things. One was refining the rules of engagement for those pilots. The Secretary, having been a pilot, understood what it was like to be in that position and wanted to be certain that the pilots had the right information about engagement. Second, he began thinking about what the nature of the response for the United States ought to be in anticipation of a meeting that evening with the President and other members of the National Security Council.

Now, with respect to things that might be done differently, there is no question that we might have done better with respect to the sharing of information between the FBI and the CIA. There is no question that the meeting that was called in July, I believe—June or July of 2001, in which the threats that had been accumulated by the intelligence agencies and conveyed to the various Federal Aviation Administrations (FAA) and other airline industry people and so forth might have been better handled under a different set of circumstances.

There is no question that we here in the Department of Defense might have had more attention to some of the reporting, threat streams that you see going back over a period of ten years about the use of aircraft.

But the fact of the matter is, sir, that the reason that the delay between the time of American 11 and the aircraft that impacts in Pennsylvania was delayed was because we were set up to look outside—the Department was.

And we did do that successfully. We had escorted a Lufthansa flight in some years earlier under these very same conditions. And the conditions were not right for us to look inside the country. The FAA cannot look inside the country. It works off of transponders, not radars. The aircraft that turned around and—it was lost to radar for a period of time.

So there were changes that have taken place since. And we have put U.S. Northern Command (NORTHCOM) in place. They have made the proper relationships with NORAD. They have done the exercises and the training, and Lord knows all those exercises have not been perfect and all the occasions on which there have been alerts things have not gone properly well. That is all admitted.

Nevertheless, I think we are better knitted today for that kind of threat. You saw that in the case of the threats over Christmas and the work that was done. Again, escorting aircrafts across the United States.

The Joint Forcer Counter Terrorism Center (JFCT) has been put into place inside the Pentagon and it works for Admiral Jacoby. It has been manned, it is fast, and it works very hard.

Our counterintelligence field agency has been staffed up, and it works very hard, and they are knitting themselves together with the standard Intelligence Community apparatus.

The communications have improved markedly. The DCI holds its five o'clock threat meeting every day. And I was reading somewhere where it was suggested that the DCI did not have the authority to get people to do things as a result of those meetings. Well, that is just false. It is just false.

People will sit there; they will go over the intelligence, and I know for a fact that people took action as a result of those activities, not just within CIA, but within all the other agencies that were connected.

So there is activity that goes on well beneath the service that people do not see that is keeping the country very safe, very safe. Much safer than it was—much more safe than it was in the past. There is much to be done, and so therefore we welcome dealing with the Commission's recommendation.

But let us please not forget how much has been done in the interim.

The CHAIRMAN. I thank the gentleman.

The gentlelady from Michigan, Mrs. Miller.

Mrs. MILLER OF MICHIGAN. Thank you, Mr. Chairman.

And I thank all three of the gentlemen for being with us today. I thank you for your service to our country.

And, Dr. Cambone, listening to your response to the last question puts a human face, I think, onto all of this conceptual kinds of things that we are all talking about today as we all recommend we are one American and what we can do to go forward, certainly.

And talking about humans, humanity, I want to talk a little bit about human intel, if I could. And General Odierno, in particular, had an opportunity, I know, to echo what so many other members of this committee have said. I have appreciated your hospitality. I only had an opportunity to be in Iraq, I think, at the end of the January.

And to be in the—I know you call it the spider hole, but I call it the rat hole, which was too good of a term for him, I think, as well. And it really brought home to me, as we had an opportunity to go on the Black Hawks and going up there, the geography that you are dealing with in Iraq.

But whether we are in Iraq or Pakistan, Afghanistan, the kind of geography that we have, and as I listened to the admiral articulate all the new technology that we need to utilize, and, of course, that is a critical element in being successful in prosecuting the war on terror—but it occurred to me that there is absolutely no second for human intel, particularly when you are dealing with those kinds of situations there.

And when your troops on the ground had an opportunity to explain to us what we had already seen on the TV, but actually listening to them how they actually got Saddam, which was certainly one of the most impactful things that has happened thus far in the theater in Iraq, having had human intel of where he was at and as they were walking over the hole several times, could not find it. And this fellow that was giving you the information kept saying, "he is over here. He is over here."

And so having that human intel, that is not technology. That is somebody telling you what is happening there.

And I would just ask for a comment, I suppose, on what you thought about the coordination of the human intel that you obtained on the battlefield there, how you did it through the intelligence gatherers and how you got it to the warfighters.

And, also, if the gentleman might have some comment on how we are utilizing human intel, it is distressing to hear about how we have not done what we need to know over the past couple decades, I suppose, on human intel and how it all relates, as we are restructuring here and getting ready to reorganize ourselves as we go forward against this new enemy that preys on the weak and the innocent. They are like cockroaches amongst us living in caves and crevices.

How we utilize human intel in the context of the 9/11 Commission recommendation, as well, if you could.

General ODIERNO. Yes, ma'am.

I would just comment that over the last ten years, starting from Somalia through Kosovo through—our enemies learn from us and they learn our strengths. And they realize that our strengths are some of our great intelligence platforms that we have. So what they try to do is reduce those to the lowest denominator.

And what you see in the insurgency is they are trying to reduce our ability to collect on them with some of these great systems that we have. So it comes down to the necessity for human intelligence and our ability to do that.

And what we have found is, over time, we had to learn how to do it again, because it had not been a priority of ours. A lot of our human intelligence teams have been taken out of our force structure over time. And so we had to rebuild those on the move while we were in Iraq.

And it is not only just the collectors of human intelligence, it is also the ability to interpret information. And so we also did not have the interpreters necessary. We are working very hard now to correct that. And a lot of that has been corrected by the increase of the number of interpreters that we now have and the fact that the Army and other services have moved forward to increase significantly our human intelligence capability.

So we have realized that in the future we will continue to have this. And it is absolutely essential in an area such as Iraq.

And as we explained to you, as we went along, it was several months of human intelligence work that led us to the capture of Saddam Hussein. And it was work by soldiers and the ability to use that information, and collate that information, and share that information among many different agencies that enabled us then to move forward and understand how his network was built, how he was supporting himself, and then how we went ahead and finally caught him.

But that goes on every day now, not just looking for Saddam Hussein, but looking for Zarqawi, and any other leaders in Iraq or Afghanistan. So I cannot overemphasize the necessity of you all to continue to support the increase in our ability to use human intelligence.

Yet, also we have gone to the fact that—I used to say every soldier is a scout. Also every soldier is a sensor. How do we then collate all that information that all of these thousands of soldiers are

gathering every day on the ground and make that accessible to every one so we can make good solid decisions? So that is the next piece.

And, again, that is that data access piece, and have systems in place that enable us to put this human intelligence that we have gathered together so everyone can look at it from a tactical, all the way up to a strategic, level.

So that is, kind of, how I would put that. And it is extremely important as we move forward, because I see human intelligence as even more and more important as we continue to move forward.

The CHAIRMAN. I thank the gentleman.

I thank the gentlelady.

And the gentleman from Washington, Mr. Larsen.

Mr. LARSEN. Thank you, Mr. Chairman.

Secretary Cambone, congratulations on your cover story of Military Geospatial Technology interview in there. And, I will tell you, the last few days I have learned—someone mentioned the alphabet soup earlier, but I have learned much more about the Intelligence Community than I thought I would, but certainly there is a lot more to learn for me; I would assume for other members, as well. And these hearings have been very valuable to help me understand the 9/11 Commission recommendations and how your role fits into that.

Just quickly, General Odierno, thanks for the hospitality in September. Some of my colleagues—sounds like they went to Iraq in December when the temperatures were mild. I think in September it was around 120 degrees or so in Iraq. But I really appreciate your service there and continued service, as well.

Just a quick point: I cannot help but think that if this book was maybe called the "9/11 Commission Report: Intelligence Transformation," we would have an easier time of it, of getting this implemented. Because I really do think it really does constitute—the results of this report constitute a transformation in how we have to address many things in the war on terror.

We had a Cold War-model in many aspects. Still have a Cold War-model in other aspects, in defense. We have to reorganize for the war against terrorists.

It represents a philosophical shift, this report, in terms of intelligence and how we use it to where it is collected, and then who uses it, as well, and where we get it from.

And also, I think the point is made, not specifically, but generally, that basically intel resources do not belong to any one department; they belong to everybody to use.

And that gets into Vice Chairman Hamilton's comment yesterday about one of the most important things we can do is to break down the wall of information-sharing. And there are some issues surrounding that, but we need to get there.

So it might—you know, if we thought about this in terms of transformation rather than reorganizing, rather than moving boxes around, it might be easier for all of us to speak the same language on this.

I wanted to—see Mr. Smith here. My colleague from Washington asked a question yesterday about the National Intelligence Director as it is envisioned in the report—and I will leave this with Dr.

Cambone—versus what the President has envisioned in terms of an appointment.

The President says he wants to establish one. Should we expect an appointment for an NID anyway; can he do that anyway? And if so, would it reflect more the 9/11 Commission report or, as he has proposed it, which would be an adviser, like the Department of Homeland Security (DHS) adviser was before he created a Cabinet official?

Secretary CAMBONE. I am not sure that insofar as he would separate—and then here I would have to appeal to a lawyer—insofar as he would want to separate, according to the Commission's report, the duties of the DCI, the Director of Central Intelligence from his responsibilities as the Director of the Central Intelligence Agency, if you are going to break those apart, those are in statute. So I am not certain that he can do that.

I think he could, if he chose, you know, take interim steps in adding responsibilities to a DCI which are consistent with the kinds of recommendations that are here, but I think in the end, if there is going to be, as the President says he wants, that split, I think it is going to have to be statutorily done. That is my guess.

But in the interim, he is free, I would think, if he wishes to do so, to add those NID-like responsibilities to the DCI.

Mr. LARSEN. Thirty seconds.

Can he make an appointment as he envisions an NID now——

Secretary CAMBONE. Well, I do not know how you appoint someone to a position that does not exist.

Mr. LARSEN. Executive orders are written all the time.

Secretary CAMBONE. Well, but that gets to creating the position. But then separating the statutory obligations then gets to be the trick. I am way past my depth on that.

Mr. LARSEN. Yes. Just quickly, we did not create the DHS adviser either, we created the Department——

Secretary CAMBONE. Of Homeland Security, that is correct.

Mr. LARSEN [continuing]. Of Homeland Security, but Governor Ridge was there before the Homeland Security Department was there, too.

Secretary CAMBONE. That is true. That is true.

Mr. LARSEN. I see our little red light is on.

The CHAIRMAN. I thank the gentleman.

The gentleman from Pennsylvania, Mr. Weldon.

Mr. WELDON. Thank you, Mr. Chairman.

Gentlemen, thank you all for coming in. Good to see you all again.

General Odierno, it is good to see you again from our very successful trip over last January.

Two questions, and I am going to run through them very quickly, because of the time limitation.

So, Mr. Secretary, my big concern, as I expressed it yesterday, is not that we do not have enough recommendations, because we do. It is that the bureaucracy will prevent them from being implemented.

This committee called for the creation of the Gilmore Commission, which came up with 144 recommendations, most of which were recommended before 9/11. And, in fact, 14 of the current 9/

11 Commission recommendations were actually recommendations made by the Gilmore Commission in the past. So there really is not a lot that is new. It is a question of why they have not been implemented.

And one of the things that we have heard consistently, including today from you all, is the need for data collaboration, information collaboration.

It was this committee in 1999, with John Hamre sitting in that table, that called for the creation of a national collaborative center. There is the nine-page brief. This was put in the congressional record. It was briefed to all the leadership.

And at John Hamre's suggestion, on November the 4th of 1999, in my office, John Hamre, the Deputy Director of the FBI, the Deputy Director of the CIA, sat for the briefing. Hamre said, "I will pay for it. I do not care where you put it. White House—DOD will pay the bill." And the CIA and the FBI said, "We do not need it." That was in 1999, two years before 9/11.

So the question is—and, this by the way, is exactly what the TTIC is today. If you read the TTIC, it is identical to this.

Why did the previous administration not do it for two years and why did this administration take until 2003 to implement what the Congress required and mandated in three successive defense bills to take effect? That is the first question.

Second question—this is for Admiral Jacoby.

Admiral Jacoby, John Lehman, who is a very respected leader and a friend of mine, made a statement last week before the Government Ops Committee: "It is remarkable, shocking, that the senior member of this Congress and of this administration first learned of the Iranian connection from us, not from the Intelligence Community." And he goes on to explain that it was the 9/11 Commission that actually briefed this administration on the Iranian connection to the problems in Iraq.

Now, as you know, Admiral, on April the 14th I sent you these 170 pages that I entered yesterday in the record in the classified format. For the past 20 months, this committee has led the effort to make the connection between Iran and Iraq. And it is all documented here. You got a copy of this on April the 14th. So my question is simple: Is John Lehman wrong or is the intelligence system still broken?

Secretary CAMBONE. I cannot answer for the previous administration on TTIC.

The new administration, when it came in prior to 9/11, was, as you have heard the Secretary say any number of times, in the process of putting itself together even as it was beginning to adjust policy relative to Al Qaida and Osama bin Laden. That is the other story, by the way, that is told in the 9/11 Commission report.

Insofar as there was increased attention being paid to the nature of the problems and the solution or the organization that you are talking about, I think this administration had begun to change its focus and was moving from the law enforcement coupled, to military power, to one in which all elements of power were going to be used in that pursuit.

Mr. WELDON. Just quickly as a statement in here I have to make, I did not mention this, Mr. Secretary. This whole process

was based on the Army's Information Dominance Center at Fort Belvoir, the land information warfare activity (LIWA). But at the time that 9/11 occurred, both the Army had a capability for collaboration at the LIWA facility and special ops had a capability down in Florida to do exactly what this was supposed to. DOD wrote the book on this.

Secretary CAMBONE. Yes, and I cannot tell you why other things did not happen.

What I can tell you is, the President put the TTIC in place. We have, in fact, taken Fort Belvoir and their capabilities much higher. General Alexander has developed it, and it is now being pursued by a successor.

And you will be interested to know, and we can talk about this off-line if you do not, that in fact U.S. Special Operations Command (SOCOM) is doing some very interesting and important things along those lines.

We got that lesson. And now I think the purpose that the President has in pursuing the National Counterterrorism Center is to, as far as possible, institutionalize that imagination and the access to the data and the opportunity to engender action in reply. That is where he wants to go.

Admiral JACOBY. On the report, Mr. Weldon, we did analyze and assess that report. And I have responded by letter to you once or maybe twice in the interim. And so I will get copies of that letter and make sure——

Mr. WELDON. That is not the question, Admiral. John Lehman said that the 9/11 Commission was the first briefing to the senior official in the Congress—I assume the speaker or the leader of the Senate—and was the first to brief the Administration on the Iran connection. John Lehman said this; there is his quote.

So I am asking you, is John Lehman wrong or did you not take what I gave you, since it was done by this committee for the past 20 months, and brief the Administration on the Iran connection? Which was it?

Admiral JACOBY. I do not know how many briefs might have been given by other agencies. I would have to check and see whether, in fact, that was the first briefing or not, sir.

The CHAIRMAN. I thank the gentleman.

The gentleman from Texas, Mr. Turner.

Mr. TURNER OF TEXAS. Thank you, Mr. Chairman.

Admiral, I wanted to first compliment you. I heard your opening statement, and I liked what I heard. Your understanding, your grasp of the importance of moving to all-source intelligence, not some-source; your advocacy of sharing based on the need to share rather than need to know.

I think the frustration that I think we all heard from our colleague Mr. Weldon, who is such a strong advocate of moving us forward in the war on terror—I think we all share that frustration.

You know, I was reviewing our lack of progress in information sharing among the homeland security agencies, something the Congress has mandated back in the Border Security Act, in the Patriot Act, appropriations bills that have language to do it. And yet still that is not accomplished.

TTIC operates today with analysts with four, five different computer terminals under their desk, and they have to access each one. They are not interoperable. There is no sharing there.

It is hard to get a grasp of why we have had such a difficult time accomplishing what some call the creation of an interoperable system—some call it a federated system, where the different systems can communicate with one another. And in the process, post–9/11, we have seen a proliferation of efforts that still have not gotten us there, and we have all these new fusion centers or analysis centers.

I have a chart that I want to show you that illustrates some of the things that have happened, and yet we are still not where we need to be. This shows you the government intelligence analysis organizations before 9/11 in black, and all the new ones that have been added to that since 9/11, beginning with the Terrorist Threat Integration Center.

And, of course, all of those entities I am sure are important. But we have a new problem here, and that is one that creates new intelligence analysis centers or fusion centers of intelligence, if you will, and now we have to be sure all the fusion centers talk to one another.

James Woolsey, former Director of CIA, testified before the Homeland Security Committee. He said he did not see anything wrong with a multitude of analysis organizations so long as all of them were tied together and could talk to one another and share what they have analyzed.

So you talk to the experts in information technology, and they say this can all be accomplished. The software is here. We have even had projects to do it just within the agencies of the Department of Homeland Security, the preexisting agencies before the Department of Homeland Security. Those efforts have fallen flat.

What is it? What is the problem? You know, you have been in this business a long time and you oversee probably a greater share of intelligence collection and analysis of anybody we could have before us. What is it going to take?

Admiral JACOBY. Sir, you ask good questions.

In looking at this hard, there are a number of factors and they all come together. One is that the technology, particularly some of the information management capabilities we need, have recently arrived. I mean they are over the last 12, 18 months.

Part of the issue is one of funding. And frankly, there will be a significant amount of money required to change legacy data and to format the newly arrived data such that it can be used in this kind of an environment. The systems were not designed that way initially. And some have been in place for decades.

There is a part of it which has to do with security regulations and culture. One of those things is a shift away from the worry about any, you know—it is risk-aversion. We have to become risk-accepting in some cases in terms of the fact that some information might be made available to unclassification levels.

So there are a number of things and they are all intertwined. But I think the key part is that technology is available now. It is standard, it is fieldable. And we should get on with the task of the folks using the information in a position of primacy and having the

collectors be the supporting commander, to use a joint term. That is the key underlying piece there, I think.

The CHAIRMAN. I thank the gentleman.

And I might remind members, we have a luncheon at 2212 that started at noon with 9/11 families. So everybody is certainly invited to come on up and have a sandwich and have a chance to chat with the families.

Now we have the gentleman from New Jersey, Mr. LoBiondo.

Mr. LOBIONDO. Thank you, Mr. Chairman.

A lot of my questions have been touched on already, but Mr. Bradley was talking earlier about our capabilities and what we have on the ground.

I am curious as to what you can tell us in an unclassified session with how we are doing in Syria and Iran in this respect.

Mr. Secretary, you talked about, I think, the culture of intelligence. And are we making progress there?

And as a follow-up to that, while they are not hot spots right now, at least on the front page, what is our situation in places like North Korea and the Philippines, where something could develop almost in an instant?

Secretary CAMBONE. It is a little hard answering in open session.

Mr. LOBIONDO. Okay.

Secretary CAMBONE. Can you just refine it a little? If you can refine the question a bit, I would be happy to try to give you an answer here. I am not sure where to start, and I do not want to waste your time.

Mr. LOBIONDO. Okay. Let me talk to the Chairman about getting maybe something in a classified setting——

Secretary CAMBONE. I would be delighted to do that.

Mr. LOBIONDO. I understand. I figured we might be in that territory.

Secretary CAMBONE. I would be delighted.

Admiral JACOBY. I might add one part. Clearly, most of the discussion is about trans-regional terrorist groups. And you brought up the Philippines: obviously, a country that is struggling with sort of local or regional terrorist groups. That is a major point of analysis and assessment inside our department.

And to go to Mr. Turner's question, many of these fusion centers are working different parts of the problems. And so, one of the key parts for us is to be thinking about these other countries where it may not be Al Qaida that is the key focus of attention, but from a military standpoint we have to keep attention on all these places where we have forces operating.

And so, I would welcome the chance to come back in a classified discussion and background you on some of the things that are happening that are broader than may be the point of the Commission report or today's hearing.

Mr. LOBIONDO. Thank you.

Secretary CAMBONE. Mr. Chairman, could I take a moment to build on Admiral Jacoby's answer to Mr. Turner?

You said, what is it going to take to fix it? The interest I have been displaying here and elsewhere for the last year on horizontal integration goes to the answer to your question. And let me tell you what, bottom line, the difficulty here is.

As a practical matter, the DCI controls all classified information. The agencies have the IT net. No one has the wherewithal to make certain that the way in which we handle classified information, which is the obligation of the DCI because he is the classification authority, over against the people who are running the IT system can get them to match appropriately.

And so, when you look at an NID and you see that recommendation, which seems obvious that there ought to be an IT information security all-source kind of thing, that is monumental in addressing.

I cannot underscore enough, again and again and again, how important it is to bring those two sets of authorities, if you will, together in a way that we can get the information out of the networks, and the networks then in turn can be secure enough that the DCI or the NID can, in effect, certify that information he is responsible for is going to be safe when it is used on those nets and transported on those networks.

That is the rub to this. We have the authorities and responsibilities in two very different places, two very different cultures, and trying to bring those together is going to be an enormously difficult thing to do. But the payoff will be unbelievable.

The CHAIRMAN. I thank the gentleman.

The gentleman from Texas, Mr. Rodriguez.

Mr. RODRIGUEZ. Thank you, Mr. Chairman.

And, Mr. Secretary, thank you very much for being here with us.

And, Admiral and General, thank you very much also for your service.

I was listening to you when you were talking a little bit where you were during 9/11. There is no doubt that, you know, we all were lacking, I think. I recall myself being here in the Cannon building and, after the second plane, going directly to one of the policemen that were there and asking them to remove a group of veterans that were meeting in one of the veterans' rooms. And he said, "I do not have the authority." So I went in there and asked them to get out.

And so we have come a long way. But you have to admit that, as a Congress and as a government and as an intelligence agency, we failed. We failed our people.

And our constituency now is saying—they are questioning also the integrity of the data that is there. And I would ask that maybe—and I know that from one administration to another things will change. How do we make sure the integrity of the data, so when the general gets the information, that it is accurate, that it has not been filtered as much, that it is not useless to you anymore? And there is nothing harder to find out that we have certain data there, that if we could have moved on it, that we could have made a difference. And I know that that is going to be the case in the future.

So how do we ensure the integrity of the data? And we recognize that we have not done enough in little things with the CIA, such as the fact that we have not moved fast enough on acquiring people that are multilingual. We have not. We still have to make sure that we have—and we are told time and time again we live in a global economy. We have to reflect that in terms of the language capability, collecting the data, analyzing the data, and then making sure

the integrity of the data is correct, and then distributing it and getting it out there.

One of the things of 9/11—and I want you to address the issue of integrity of the data, and I also am very concerned about, from one administration to the other, of politically putting a spin on the data. And that really bothers me. How do we come to grips with that, when someone puts a spin on to try to get whatever they want from that instead of doing what should be in terms of the right thing? And I am not sure how to do that.

The third thing I want to just leave with you, if you can comment, more to the general, we are fighting terrorists. And I know, General, that worldwide no one can take us on in a theater war because they are not stupid; we are going to beat them, and you are going to take care of us.

How do we deal with terrorists? It is a different situation. 9/11 talks about an ideology, talks about being surgical in nature, which means that they have to have the data right there with the special ops; they've got to move, as the General indicated, in a matter of hours.

How do we make that happen? Do we need another team that just specializes in zeroing in on people like bin Laden and just concentrate worldwide in moving, being able to have that flexibility? Do we need a different structure? And I know we have talked about this in special ops.

So I wanted to throw that out in terms of both, number one, the integrity; number two, you know, making sure that the future politicians or future people do not put a spin on the data.

And number three: How do we deal with making sure we get it down to the ground troops and to the special ops that need to be moved, and whether we need a special team there?

Admiral JACOBY. You know, the data part, sir, I do not know that we need some kind of special mechanism. We need to do what I talked about in the opening statement, which is have it available to that person on demand. And I think that is the key part.

I would just offer you a comment on the language and cultural part. Of our hires this year, about 20 percent are bilingual or trilingual. And many are in languages that apply directly to the war on terrorism.

And many of them are going to be either in our human intelligence collection or our analysis piece. You know, obviously, we are hiring people that are IT technicians and so forth. You know, we are not looking for language skills specifically. It is not as high as we would like. But it is——

Mr. RODRIGUEZ. What do you do when you find out that the integrity of that data has been messed with? And I can give you examples. But what do you do when you find out that somebody did not accurately report what should have been reported?

Admiral JACOBY. Did not accurately report what should have been reported?

Mr. RODRIGUEZ. Yes.

Admiral JACOBY. What we do is we pull that into this all-source, you know, environment and look for those discrepancies. And the discrepancies can come in all shapes and sizes, from willingly dis-

torting information to somebody who really does not know what they are talking about and so forth.

And so, then you go back and you reexamine and you set that information aside with a tag on it that says, questionable and so forth. And you work back, do not discard it. You work back to figure out exactly why there is a discrepancy there.

The CHAIRMAN. Admiral, you need to answer the rest of his questions, if you could, for the record, because we need to make sure other members get a chance to ask their question.

The gentleman from Ohio, Mr. Ryan.

Mr. RYAN. Thank you, Mr. Chairman.

And thank you for coming. This has been a great couple of days for us, trying to break down the Intelligence Community, which is complicated to begin with. So thank you very much for all you do.

I want to shift gears here just a little bit and talk about some of the politics lately that concerns me. And it is something I hear about at home than anything else is that, are we being manipulated? Are we being tricked? Are we being scared?

And it is difficult to answer some of these questions, because, as being a public official, we would never do anything—and I know I would never do anything, and I am sure no body in this administration would blatantly try to manipulate intelligence data to scare the American people. Because we have all been through too much.

Given some of the things that have happened, though, I just want to give you an opportunity to clear things up.

I was reading an article just today regarding Iran. And the U.N. Commission, the U.N. International Atomic Energy Agency (IAEA) reports that Iran has not enriched uranium domestically. And the U.S. is saying, "Yes, they have."

Given the backdrop of Iraq, given what happened with Ambassador Wilson, there are questions as to what is the reliable intelligence with some of these issues, which brings me to the question I would like to ask you. In the last few days there has been a lot made of this gentleman named Khan, the mole that Pakistan had and the U.S. had, starting, it seems like, on July 12th.

And the first question is: Did we know that he was a mole for us and for Pakistan in the war on terror?

Admiral JACOBY. I do not know the answer, sir. I will have to take that to the Director to get back to you. I just do not know.

[The information referred to was not available at the time of printing.]

Secretary CAMBONE. You are catching me cold on this one. I am not familiar with that reporting. I am sorry.

Mr. RYAN. The leak that has been in the news the last week or so?

Secretary CAMBONE. I do not understand it the way that you do. So I am just not, I am not——

Mr. RYAN. Basically what happened was we had this gentleman who was a mole for us. I mean, you know the story, right?

Secretary CAMBONE. Yes, I know the story. I think the question you are asking though is when you start to pull on these strings, and you have so many of them that you are pulling on, how do you know that the one that you have in your hand is actually connected

to what you are looking for on the other end? I mean, I think that is basically the question you are asking.

And when then you say, "Okay, the IAEA has a slightly different view,"—as a matter of fact, the IAEA was more alarmed earlier than most about Iranian activity. It was a private group that exposed the facilities in Iran in Isfahan that went to the IAEA.

The European Union (E.U.) has made an effort to broker an agreement with Iran. And I believe the reporting, the newspaper reporting, is that the Iranians have said that they will nevertheless, despite the agreement they have struck with the E.U., continue that front-end processing, development capability.

Mr. RYAN. And I appreciate that. And we are all concerned with Iran. My concern is with this Al Qaida mole that we have had since July 12th who was working on behalf of us, who we dropped his name to the media before we could actually have him get us a heck of a lot more information than he got us.

And my question is: Why would the Administration, if we know this guy is working for us, as a mole, as an Al Qaida operative, mention his name?

And we mentioned his name, and the only answer that I can come up with, and that the people in my congressional district can come up with, is they are trying to deflect the political pressure of the criticisms: Why are you using the terror warning system to scare the American people?

And I am concerned that the Administration would not step up and say we have credible evidence. We want to talk to Members of Congress in a private meeting, a classified briefing and tell them, so that we could go out and tell our constituents there is classified information. It is real. It is a real threat. But at this point, we cannot release the names.

And there is a communication problem here. We want to help you. And I just want you to bring the message back to the Administration that we want to be on your side. Our citizens are scared, too, when they hear the terror warnings goes up, and they do not know what to do. They do not know what to do.

And many of us do not know what to do. We grab our bags in our office that have masks in them and we run. But other than that, people in Youngstown, Ohio, they do not know what to do. There is no bag and masks that they have.

So if you could be kind enough to take back to the Administration that they do not have to play politics. They are going to get criticized no matter what they do, but let us know so we can help try to deflect some of this.

I appreciate all the work that you have done. I am sure it has been a tremendous and very difficult few years for you. But this is something that concerns me, that the political process has gotten so combative and confrontational that we are outing moles that could potentially lead us, some are saying, to Osama bin Laden.

If we are making those kind of political decisions to protect CIA here instead of doing the right thing, that bothers me and that bothers a lot of my constituents.

So thank you for your service. I just wanted to let you know that that is something that I believe we need to work on sooner rather than later.

I thank you, Mr. Chairman.

The CHAIRMAN. I thank the gentleman.

The gentleman from Florida, Mr. Meek.

Mr. MEEK. Thank you, Mr. Chairman.

And I want to thank the panel for being here for so long. The end is near.

Mr. Cambone, Secretary Cambone, I heard your testimony, and I watched it, and I also read some of your statements, and you were mentioning the four computers you have on your desk. You appreciate the fact that the 9/11 Commission has illuminated many of the issues that are there that need to be addressed. Your office was created a couple of years ago in the light of 9/11 and knowing that we need to know more than what we know now.

And so now we are at the point in an area that a handful of Members of Congress really understand, if that, as it relates to intelligence. There was testimony yesterday from the Vice Chairman of the 9/11 Commission saying that there was a senator that said we spent 10 minutes on the budget looking at the intelligence budget in DOD, and then there was one saying, "No, you are incorrect, we actually spent 5 minutes."

Hearing all of that, and seeing all of that, the Congress is now in recess. I mean, we are here, and the reason why I am just dwelling on the report, I have other questions, burning questions that I would love to ask both of the gentlemen sitting on either side of you, and yourself, but we are here and the clock is ticking. And the 9/11 report is not a classified document. I mean, everyone has it. I am pretty sure that it is in some of the very areas that we are trying to pursue terrorists right now, even domestically.

Do you feel after Labor Day and coming in on a Tuesday, or what have you, that we can actually move the 9/11 recommendations prior to October 1st of October 2nd or 3rd, that we are supposed to adjourn, or do you think we need to put the pedal to the metal and start moving on this legislation? I mean, you, outside of anyone else in this scenario, and your office, should understand and appreciate the issue or the situation that we are in right now as a country.

Secretary CAMBONE. I think we have to make certain that we do not make—as I have said in my opening statement—that in the desire to make adjustments, that we make changes that we regret. And that just takes time for reflection. And I think reflection on something this big is important.

Now, having said that, is time without boundaries here, and the answer to that is no. So what is the proper balance there? That balance is going to be struck, I presume, between the Members and the leadership in the Congress, and the President and his folks, as they work their way through the various issues and problems that they have.

But I can assure you and other members of this committee and the Congress that neither the Department, nor my colleagues in the executive branch, are leaving this to molder on the shelf and gather dust. I left my leave to come back and work this. Other colleagues have done the same, as you all have here. So we are all in the same boat. We meet daily on this, sir. So——

Mr. MEEK. Mr. Secretary, I am sorry to cut you off. My time is coming to an end. I just wanted to—I understand that part.

The real issue, even when it comes down to the war in Iraq, and when it comes down to the U.S. Patriot Act, and now the legislation keeps getting more technical and just mammoth, and it has been Members of Congress not informed or educated on what we are legislating on.

There was testimony on the other side of the aisle yesterday from one of the members on the top bench up there saying that this whole process manipulated by the U.S. intelligence bureaucracy.

Well, I feel that we are unindicted co-conspirators for allowing it to happen. And people have elected us to govern, to have oversight. And if we do not start working on it now—I mean, Leader Pelosi has called for a special session from the Speaker to deal with this issue now, because God forbid that someone reads this report, the wrong person, and says, wow, you know, this is what we want to know, if there was a gap here or a gap there.

This is 18 months of testimony. I hope that the Defense Department and others have been monitoring that testimony and learning through that process and we start learning new things that people knew that we did not know that they knew within our structure. It is important that that happens.

So I am concerned about slow-walking, but I am also concerned about haste. And I think that the shorter period that we have to deal with it in haste, because we are talking about the election of the entire Congress. This is not a staggered kind of situation. I mean, in the House of Representatives, everyone is up.

So we talk about politicization—that is the word that I can get out. I will figure it out later—of this process. The closer we get to November the 2nd, the more demagoguery and speeches and all these things that are going to sensationalize our intelligence.

So I would hope that the Administration and your office will—you know, and I appreciate the efforts of everyone that is here, because it is a sacrifice—would really focus on the time-line that we have to deal with. And that is what we are saying. We want to move forth with the recommendations.

So, Secretary, and to you all, I want to thank you for being here, but I just wanted to make sure that we understand the significance of the moment.

Thank you, Mr. Chairman.

The CHAIRMAN. I thank the gentleman.

We have a couple other gentlemen who want to ask questions.

Dr. Gingrey, did you have another—you had another round of questions and so did Mr. Abercrombie.

Dr. GINGREY. I do have a question, Mr. Chairman.

The CHAIRMAN. Okay.

Let me ask Mr. Turner and Mr. Wilson, do you gentlemen have any other questions?

Mr. WILSON OF SOUTH CAROLINA. No, sir.

The CHAIRMAN. Okay. Why don't we go to Dr. Gingrey and, then, Mr. Abercrombie. And if we have a minute, I might ask a question to finish up.

Dr. GINGREY. Thank you, Mr. Chairman.

Gentlemen, I appreciate this very much. I know you have been here 3.5 hours and heard from each member. What you probably do not know, though, is during this hearing, a certain number of members of this supposedly bipartisan House Armed Services Committee were outside of the hearing room holding a press conference.

I happened to go out to make a telephone call. I was not invited to the press conference. I bet surely it would have made it bipartisan. It would have been nice.

But I did happen to hear some of the statements made by those members of the committee to the press while this hearing is going on and we are trying to gain information as a committee on what really we should do.

It seemed that all of them had already formed an opinion about that. The President, the Administration, the leadership of this Congress, of this committee was not moving quickly enough to respond to the 41 recommendations made in this report by the 9/11 Commission.

Now, Congress received this report on July the 22nd. And I want to just quickly read to you the President's statement as of August the 2nd, 10 days after this report was officially made public.

The President says, "All the institutions of our Government must be fully prepared for a struggle against terror that will last into the future. Our goal is an integrated, unified, national intelligence effort. Therefore, my Administration will continue moving forward with additional changes to the structure and organization of our intelligence agencies.

"All these reforms have a single goal. We will ensure that the people in government responsible for defending America and countering terrorism will have the best possible information to make the best decision." That was August the 2nd of 2004.

And the President has already recommended two very important aspects, recommended by the ten bipartisan commissioners. Following a careful review of the 9/11 Commission report, President Bush announced his support for the creation of the new position of national intelligence director, NID, and looks forward to working with the Congress to move forward the necessary process—I think that has been mentioned several times, the importance of that here today by you, Mr. Secretary—of intelligence reform as quickly as possible.

And then, finally, the President also announced he will establish a National Counterterrorism Center and take other actions designed to continue the process under way since 9/11 of strengthening America's ability to win the Global War on Terrorism.

And I want to remind my colleagues on this committee, and anybody who happened to be listening, here in the room or on television, to this hearing, that it has been almost three years. And we have not been struck again. So the President certainly has not been lolly-gagging around in regard to his responsibility.

And changes had already been made, even before this report came out. I want to ask you this question, and I want each one of you, maybe starting with General Jacoby, to respond to it.

Do you think this Administration and this Congress at this point in time is moving quickly enough in regard to this report, or do you think we are possibly moving too quickly?

Admiral JACOBY. I think there are important, you know, aspects of that report. And it is my understanding of the pace of discussions, there is due diligence that is being pursued at this point.

Secretary CAMBONE. Sir, we are moving with all the deliberate speed this requires with the kind of hard work that you would and the American people, I think, would appreciate. In the last week, I have been with my colleagues, either in the Pentagon or the White House, three and four times a day, working, not only on the recommendations of this Commission, but asking ourselves the other question, which is: Is there more that we should be doing?

This is not all that there is. There is more that might be done, and should we be pursuing those things? So people are moving with that deliberate speed. But this is hard stuff. And it is important stuff.

And it is important to the entire country that we get this one right, because, again, as the Vice Chairman of the Commission said yesterday: Once in a generation do you get a chance to make these kinds of big changes. And this is that chance. And we want to make sure we do it right.

Dr. GINGREY. General Odierno.

General ODIERNO. Sir, I would just say, as we all know, there is lots of competing demands. And I will look at it from, again, the tactical commander's viewpoint. The important part is making sure that we still are able to get pertinent data to the commanders and soldiers on the ground so they can be effective, protect our country, save their own lives, and save the lives of the people we are dealing with.

So that is what I am interested in. And we have to make sure that we do this properly and we do not affect that or all of the other things that we must do.

Dr. GINGREY. Thank you very much.

Thank you, Mr. Chairman.

The CHAIRMAN. I thank the gentleman.

The gentleman from Hawaii is recognized. He had some follow-up questions.

And, Mr. Turner, did you want to follow up?

The gentleman from Hawaii is recognized.

Mr. ABERCROMBIE. Mr. Chairman——

The CHAIRMAN. But if you want to go to Mr. Turner, that is okay.

Mr. ABERCROMBIE. Why don't I defer there, because I think my questions are in a different area.

The CHAIRMAN. The gentleman from Texas, Mr. Turner.

Mr. TURNER OF TEXAS. Thank you, Mr. Chairman.

And I want to say, in response to my colleague's comment a moment ago, that I think that there are some of us on this committee who have advocated that we move faster and that we be a lot stronger in the effort to defeat terrorism.

And that is why it is so easy for us to embrace the 42 recommendations that are in this report. And if you go back and look at the work that some of us have done and some of the reports that we have published and some of the legislation we have introduced, it is very clear that we are strongly in favor of the recommendations of this report. Because most of them are not new. Most of them have been out there.

As Mr. Weldon pointed out, the Gilmore Commission was actually one of the early points at which some of these recommendations were made.

So I think that what we feel, and those of us who are advocating this feel, that we would like to think that because we have before us a bipartisan commission report that was unanimous, that our President would not only support two of the recommendations, but that he would embrace, as Senator Kerry has, all 41 of them.

And as the Commission continues to tell us, it would be a mistake to piecemeal this. To carry out the mandate of that commission requires us to be more aggressive about going after terrorists. It requires us to be more active in securing our homeland. And it requires us to adopt strategies to prevent the rise of future terrorists.

And all of those have been talked about by all of us. It is not a partisan endeavor. It is the urgency, it is the action to carry it out that we are concerned about. And I hope that we can continue to share that concern.

And I hope that, mutually, in a bipartisan way, we will embrace not only the recommendations, but the urgency.

And as Mr. Cambone stated, there is much left to do. And when we are in a time when we know the terrorists are plotting and planning to attack us, and we are hearing the warnings every other day, it seems incumbent upon those of us in leadership in this country to adopt that same sense of urgency that we are hearing and the warnings that we are getting.

Thank you, Mr. Chairman.

The CHAIRMAN. I thank the gentleman.

And before I go to Mr. Abercrombie, let me simply observe that when we had the Commission leadership before us yesterday, the Commission leadership, upon understanding some discussion with the committee exactly what General Odierno has told us today, which is that there is now a connection between the troops on the ground, in the field, in the fight, and what are known as strategic assets, which would affect this division of control that is proposed by the Commission, the Commissioners themselves told us—and I am quoting Mr. Hamilton—"It appears that we, the Commission, need to refine parts of this proposal ourselves."

I think that we do not want to simply rubber-stamp a proposal when the people who wrote the proposal themselves have stated that there are parts that need, quote, refinement; meaning change.

This is a very complex thing. We are going to basically be rewriting the product of the 1947 Security Act. And it is going to require some very careful thought and analysis. And that is one reason why we have the ultimate user of this information, which is the leader, and a very respected leader of the forces on the ground in General Odierno, and then we have the special operations commander here yesterday in General Brown.

We have heard them over and over say what doctors often say, which is: First, do no harm. And if we, with all good intentions, make a mistake that ends up accruing to the detriment of the guy that is on the field and he does not get that information quite as fast or quite as effectively, then we will not have served the Nation well.

So let us move ahead with deliberate speed. I think we are having good hearings.

And, incidentally, we will have another one at 2, and we are going to have some outspoken testimony, I think, from John Hamre and General Odom and from Lowell Wood.

And so let us try to get as much commentary and as much analysis as we can. You know, I think the trademark of this issue is it is real complex. And it takes a lot of time. And that is one thing that Members of Congress do not have. And we need to invest a lot more time, I think, in understanding what we are doing before we deliver a finished product. Because when we deliver a finished product, it has to be done right.

Having said that, the gentleman from Hawaii had further questions and comments.

Mr. ABERCROMBIE. Yes, Mr. Chairman, I presume you are now calling on me because you know I will do things right. Thank you very much. Mr. Chairman and Members, I guess I will—members of the panel, I will be finishing this part of our hearing. And I think perhaps it is appropriate because the questions that I have relate to exactly what we are talking about here.

Look, we are not amateurs. We are not naive. We are seasoned politicians here; believe me, not the least of which is the Chairman. The recommendations of the Commission are just that. Obviously, everything has to be refined legislatively. And that is where I want to direct my next question.

I hope that on the whole, Mr. Chairman, you agree that the questions and the positions of all the Members, regardless of their party, have been geared toward trying to get to this refinement of legislation, which is our responsibility.

In that context, Secretary Cambone, I presume—I mean, I think I can say with some authority myself—that you agree and certainly the Secretary of Defense agrees that unity of effort in the intelligence area is essential. All the testimony that I have heard over the last couple days relates to that.

Now, the question then becomes operational unity of effort and whether that would be compromised or interfered with, particularly when it comes to Special Operations Command, getting to the fighter. That has been the subject of a lot of conversation the last couple days.

I want to set that then aside for the moment in a manner of speaking in that we have already—if you would acknowledge for conversation's sake with me that we have discussed that at length—whether unity of effort, where operational unity of effort is concerned, we have to pay particular attention to the recommendation about Special Operations Command.

Now, the Northern Command is in that, too. And I have raised that issue before. Special Operations Command and Northern Command now could not only be tasked by the Department of Defense, but also by the National Intelligence Director. Would you agree that that is the thrust of the Commission's recommendation?

Secretary CAMBONE. Sir, as I understand it, that is what they were suggesting or actually recommending.

Mr. ABERCROMBIE. Okay. And that is where I want to direct my question then. Because the way they would do that, as I read it,

is that there would be—the Department of Defense coordinates taskings among the combatant commands through the Joint Staff. But these also, under the recommendation of the Commission, could be directed by the National Counterterrorism Center.

Now, I personally think that this is, Mr. Chairman, probably—if not a contradiction, it is at least paradoxical, and it might look good on paper. But it would cause some real difficulties, especially where Special Operations Command is concerned.

So I presume, Secretary Cambone, that you would agree, at this stage, that that needs particular attention, legislatively speaking, before we move forward with that.

Secretary CAMBONE. I do not think that we want to be interrupting the operational lines of command——

Mr. ABERCROMBIE. Very good.

Secretary CAMBONE [continuing]. With respect to the Department of Defense or any other agency.

Mr. ABERCROMBIE. Right, but in your particular situation here, as the Under Secretary of Defense for Intelligence, the reason I bring it up, and particularly to you, is is that if the National Intelligence Director was established with the NCTC, the counterterrorism center, housed within the national director's shop, I think you would end up reporting two different places.

Secretary CAMBONE. At least.

Mr. ABERCROMBIE. That is the thing I am concerned about. And you would not be the only one. The FBI would be that. Homeland Security would be doing the same thing. You would have two places you would be reporting.

We need to work that out legislatively, for sure.

I am going to set aside the budgetary implications to that for the moment, because again, I do not think you are prepared. I spoke with Mr. Moore yesterday and others, and I do not think that the Department is prepared to deal with that at the moment.

Now, that takes me to the last part of what I want to deal with. That is to say the Homeland Security implication. And this is not so much the Commission, although the Commission has to deal with it. It is that I still do not understand the relationship now that you have existing right now between Homeland Security, the Department of Defense and Northern Command.

I do not know who is in charge. Now, it is no secret, Mr. Secretary, that I opposed this—speaking of rushing, it is not just us. It is not just the Commission. But we went along with this establishment of a Northern Command. And it appeared, as you know, in a budget without an index, without—if I have not discovered—the Chairman will tell you, I pay attention to detail.

Now, I discovered the Northern Command. It was never presented to us. You had to look through that budget, page 62, or whatever it was of the budget presentation. All of a sudden, it is there. And there is $400 million associated with it. And I, to this day, cannot find out where this came from and what the justification was.

But, oh, we had to do it. The Secretary of Defense said we had to do it. Now, the Northern Command sits there. You have drawn down people from all these other commands in order to staff it. You have a big building out there.

And what I would like to know then, at this stage, as long as we are saying, "Let us not move too fast," and all the rest of it, whether this Northern Command is also on the table, in terms of evaluation, as to what its efficacy is in being able to carry out its proper functions and what the relationship of you, as the Under Secretary of Defense for Intelligence, in unity of effort is, with regard to the Department of Homeland Security.

I cannot figure out who is in charge, Mr. Ridge, Secretary of Defense, or anybody else, with respect to defending the homeland, utilizing such intelligence as comes to bear, with regard to a possible attack on the interior of the United States.

The CHAIRMAN. The gentleman's time is expired, but the Chair will——

Mr. ABERCROMBIE. Well, I had——

The CHAIRMAN. I had some time. So what I am going to do is I am going to yield my time to the gentleman to allow——

Mr. ABERCROMBIE. I appreciate that, Mr. Chairman.

The CHAIRMAN [continuing]. Allow the witnesses to respond.

Mr. ABERCROMBIE. I appreciate that, Mr. Chairman, because I hope Mr. Cambone agrees. This is not something you can just say in a sentence or two if you are going to deal with what you have already indicated as complexity.

Secretary CAMBONE. And I would be pleased, sir, to come back and bring Secretary McHale with me, who is our Assistant Secretary for Homeland Defense, and talk with you in detail. But the short answer is——

The CHAIRMAN. And why don't we set that up?

Secretary CAMBONE. I would be happy to do.

Mr. ABERCROMBIE. Mr. McHale is my good friend, and I would appreciate that.

The CHAIRMAN. Why don't we set that up, and we will have a meeting? But go ahead.

Secretary CAMBONE. But the answer here today is that, with respect to the Northern Command commander, the Secretary of Defense, he reports to the Secretary of Defense. His missions are twofold.

One is direct defense of the country. If there is another air attack or there is a maritime attack, and the least likely, of course, is a land attack, but that could happen. So he has the direct defense mission of the United States by direction of the President of the United States in the event of employing military forces.

He also has a secondary mission, which is support to civil authorities, which include the Department of Homeland Security. And in that context, he, along with other members of the defense community, operate under the national response plan and all those other kinds of efforts that are in place by the Homeland Security folks.

And we have roles that are assigned, and people have expectations about what needs to be done. And so, if there is an event somewhere where they require the support from the Department of Defense for homeland security purposes, that effort would be channeled through Northern Command.

Mr. ABERCROMBIE. Was he in charge; was the commander of the Northern Command in charge of the situation involving the governor in Kentucky flying his plane into Washington air space?

Secretary CAMBONE. In his North American Aerospace Defense Command (NORAD) hat, that was a role that he had. Yes.

Mr. ABERCROMBIE. So he had the responsibility, could issue the orders?

Secretary CAMBONE. Yes, sir.

Mr. ABERCROMBIE. Then what is the differentiation between NORAD and Northern Command?

Secretary CAMBONE. NORAD is a binational command that includes the Canadians, which has additional responsibilities for aerospace defense of the North American continent. That is a binational arrangement.

Mr. ABERCROMBIE. I know it is.

Secretary CAMBONE. It does not cover maritime, sir, it does not cover maritime, and it does not cover terrestrial, nor does it cover civil support. NORAD does not do any of that. It is narrowly focused on aerospace. Northern Command has those other responsibilities.

Mr. ABERCROMBIE. It is the same person, isn't it?

Secretary CAMBONE. Sure. That is not unusual.

Mr. ABERCROMBIE. Had that plane been shot down, General Eberhart would have been the person making the decision.

Secretary CAMBONE. He is the man in the chain of command at the senior level of the chain of command.

Mr. ABERCROMBIE. Then at least I am getting an answer. The person in charge then is in Northern Command.

Now, did everybody report to him so that this decision could be made? Do we have that, an effective intelligence—a horizontal exchange of information that enables the general to make that decision?

Secretary CAMBONE. I cannot do all the forensics on that event for you. It is set up, however, such that those zones are established. There are rules of engagement for activity there. There are aircraft for them; all of that is——

Mr. ABERCROMBIE. I appreciate it. It is too much to go into right now. The Chairman has been generous with me with time. Could you then provide for me and for the committee a step-by-step recitation narration—you could use the model of the 9/11 Commission in its narrative if you wish.

Mr. Chairman, I request that we get a step-by-step narration of exactly what took place with the governor of Kentucky's plane incident so that I can be assured that the testimony that you have just given—it is not that I dispute what you are saying, but I can be assured that I understood it correctly.

Secretary CAMBONE. No, and I think that is reasonable, sir. And I will go to General Eberhart, and we will see what we can do for you.

Mr. ABERCROMBIE. Very good. Thank you.

[The information referred to was not available at the time of printing.]

The CHAIRMAN. Okay. I want to thank the gentleman, and thank everyone who participated in this hearing.

We are going to fire up again at two o'clock with our next panel.

General Odierno, did you have any—this has been a great—I think a great audience with you, since all the members of this committee met with you, went to Iraq, met with you. And we have a great deal of respect for you and for the service you have provided our country in Iraq.

And I just ask if you have any other—I would like you to personally stay engaged on this issue. Because one thing that everybody is concerned about is making sure that the warfighter does not get disserved by what is a well-meaning, but erroneous new structure of our intelligence apparatus.

And so, what I would like you to do is to stay engaged. And if you could do that in this area and let us know, as we walk down through the legislative path, what your recommendations are from a warfighter's perspective, that would serve us well. Can you do that?

General ODIERNO. Sir, I would be happy to do that for you. And I feel very comfortable doing that.

The CHAIRMAN. Okay. That is very important to us.

So, once again, thanks to our panel and everyone who stuck with us here. And all of our membership will be back very shortly with the next panel.

[Whereupon, at 12:55 p.m., the committee was adjourned.]

APPENDIX

August 11, 2004

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

August 11, 2004

Statement of Chairman Duncan Hunter
Committee on Armed Services

Hearing on Intelligence Implications of the 9-11 Commission Report for DOD

August 11, 2004

The committee meets today to continue its review of the findings and recommendations of the 9/11 Commission. Our distinguished witnesses are:

The Honorable Stephen Cambone
Undersecretary of Defense for Intelligence

Vice Admiral Lowell Jacoby, USN
Director, Defense Intelligence Agency

Major General Raymond Odierno USA
Former Commander, 4th Infantry Division

Gentlemen, welcome and thank you for joining us this morning.

Yesterday, the committee heard from the 9-11 Commission leadership and from senior DOD officials on the broad strategy recommendations found in Chapter 12 of the Commission report.

Today, we turn attention to the more prescriptive recommendations found in Chapter 13 of the report specifically dealing with how to reorganize national and defense intelligence agencies.

Our objective is to better understand the substance, merit and implications of these recommendations in preparation for the likely legislative action to follow.

As the Armed Services Committee of the House, it is our responsibility to explore in sufficient depth and detail, the possible impacts that any such reforms could have on the ability of our military to fight and prevail on tomorrow's battlefields. Some choose to characterize such scrutiny as undermining the

Commission's work, I simply consider it our duty and obligation to the millions of men and women that wear our nation's uniform.

Simply put, we must get this right. If we allow a rush to judgment dictated more by the election cycle than by the demands of national security, then we will make ourselves more vulnerable and cause the nation more harm.

The 9-11 Commission's report has highlighted some very important findings. First, the intelligence community continues to suffer from "stove-piping," meaning that sometimes the left hand doesn't know what the right hand is doing. Second, the commission found that the traditional principle of "need to know" often conflicts with the "need to share," meaning that protecting sources and methods sometimes undermines the ability of analysts from different agencies to put together a comprehensive picture of threats based on fragmentary evidence. Third, the commission

highlighted the difficulty of coordinating multiple intelligence agencies while also running the Central Intelligence Agency.

The Commission recommended modeling the solution after the Goldwater-Nichols reforms of the Department of Defense. That legislation succeeded because it sought unity of command, developed personnel policies that rewarded joint assignments, and reduced the layers of bureaucracy between the President and the commanders in the field.

In endorsing the Commission's findings, the President appears to be keeping these principles firmly in mind. He agrees with the need to improve cooperation and coordination by establishing the National Intelligence Director and separating that function from the management of a single agency. He also seeks to break down stovepipes by creating the National Counter-Terrorism Center and strengthen the unity of command by

ensuring that it doesn't undermine his authorities and responsibilities as commander-in-chief.

Undoubtedly, we will have a few ideas of our own. For example, I am concerned that some of the Commission's recommendations if not carefully implemented, may increase the gap between warfighters and the national intelligence capabilities they rely on to protect our forces and defeat our enemies. Over the last decade, the military has grown more dependent on improved national intelligence systems for precise maneuvers and application of firepower. The Department's transformation plans will only increase that dependence. Transferring DOD national intelligence capabilities to an outside entity could end up dulling our military edge—which would ultimately make us less secure.

Our witnesses this morning will help us sort through these issues, both from the standpoint of the warfighter's need for intelligence and the Department's relationship to other agencies. I

look forward to their comments, but let me turn now to my friend and ranking member, Ike Skelton of Missouri, for any remarks he would care to make.

Without objection, your prepared statements will be entered into the record. Dr. Cambone, please proceed.

Opening Statement for The Honorable Ike Skelton (D-MO), Full Committee Hearing on the Report of the National Commission on Terrorist Attacks Upon the United States
August, 11, 2004

Thank you, Mr. Chairman. I would like to join you in welcoming UnderSecretary Cambone, Admiral Jacoby, and General Odierno. Gentlemen, thank you for joining us today.

As a former member of the Intelligence Committee and as a long-serving member of Armed Services, I wholeheartedly endorse the effort to reform the intelligence community. The tragic events of 11 September were a result of an intelligence breakdown. Regardless of the particular, underlying cause – be it structural, organizational, or perhaps resulting from a simple lack of imagination – the truth remains: a breakdown occurred, and change is necessary. And the time for change is now.

In this age of terrorism, we clearly need to lessen the burden placed upon the Director of Central Intelligence, or DCI. By law, he serves the President, coordinates the community, then finds time to run the CIA. The burden of responsibilities at that level of government should not fall upon one individual – no matter how capable such an individual may be. Such a challenge is too great.

During today's discussion and this larger debate, I implore my colleagues to remember the unique position of the Defense Department. Simultaneously – and perhaps ironically – it sits as the largest consumer and producer of intelligence, and has unique needs as well as capabilities. Thus, as a committee, we are fortunate to have a panel to help us better understand this. At one table we have individuals representing the perspective of both the consumer and the producer, respectively. And their input is essential to our understanding of this issue.

I support the recommendations of the "9/11 Commission." "Improved coordination" and "unity of effort" in our Intelligence Community are essential qualities. After a string of strategic intelligence misreads – the fall of communism, the militant rise of al Qa'ida, and the issue of WMDs in Iraq, to name a few – I hope our nation has not waited too long. Unfortunately, the list of missteps and misreads has grown over recent time. Thus, it's change we must initiate. And the time for change is now.

Again, thank you, Mr. Chairman. I look to today's panelists for additional help, and I look forward to their testimony.

Implications of the creation of a National Intelligence Director (NID)
Statement by Rep. Candice S. Miller
Committee on Armed Services
August 11, 2004

Mr. Chairman, I congratulate you for holding this hearing today. Traditionally, members of Congress spend the month of August back in their districts, tending to the needs of the folks back home. However, this year is different. This year we have in our hands a roadmap of the steps that must be taken in order to prevent – to the largest extent possible – another 9/11 style attack upon the United States. It is therefore fitting that members of this Committee, and other committees of relevant jurisdiction, meet to discuss these recommendations now so that the appropriate legislation can be considered as soon as Congress returns in September.

The topic of this hearing is perhaps the most discussed of the Commission's recommendations – the creation of single National Intelligence Director who would be responsible for the work product, budgets and personnel of the entire intelligence community. In their report, the Commission states, "*the intelligence community is not well organized for joint intelligence work….the structures are too complex and too secret.*" Therefore, it is, our responsibility here in Congress to review these structures and make them more flexible, dynamic and responsive to an enemy that knows no borders, respects no customs

and is willing to violate every norm in the laws of war and peace to further their cause.

However, the devil is in the details. We have to fully examine the potential effects of such a wholesale restructuring, and determine how best to implement the Commission's recommendations. It is clear that one first step is to change the catch-phrase in the intelligence community from "need to know" to "need to share." This simple change would give those in possession of important information the ability to share it among other intelligence professionals without fear of retribution.

Unfortunately, we all know that it is much easier to change or modify a law than it is to change or modify a mind-set. Yet that is precisely what needs to be changed in order for us to protect ourselves against attack.

In conclusion, Mr. Chairman, I look forward to hearing from our distinguished witnesses on this important topic.

STATEMENT FOR THE RECORD

BY

DR. STEPHEN A. CAMBONE
UNDER SECRETARY OF DEFENSE FOR INTELLIGENCE

BEFORE THE

HOUSE ARMED SERVICES COMMITTEE

AUGUST 11, 2004

IMPLICATIONS OF THE RECOMMENDATIONS OF THE 9/11 COMMISSION ON THE DEPARTMENT OF DEFENSE

UNCLASSIFIED

STATEMENT FOR THE RECORD

BY
DR. STEPHEN A. CAMBONE
UNDER SECRETARY OF DEFENSE FOR INTELLIGENCE

BEFORE THE
HOUSE ARMED SERVICES COMMITTEE

AUGUST 11, 2004

INTRODUCTION

Thank you, Mr. Chairman, and members of the committee for inviting me here today. I appreciate this opportunity to speak to you about the 9/11 Commission recommendations.

The 9/11 Commission recommendations have provided the country an opportunity to debate a topic of surpassing importance: the organization and operation of the nation's intelligence apparatus. Its recommendations urge us to focus closely on two important missions of the Intelligence Community (IC):

- Indications and warning of pending events--especially terrorist events--in enough time to allow the Executive Branch to take action

- Providing the operational elements of the U.S. government, not only DoD but the Departments of State, Homeland Security, Justice, Treasury

and others, as well as state and local governments with timely or "actionable" intelligence to support their operations -especially, but not exclusively, counter-terrorism operations.

As a result of its focus on these two missions--Indications & Warning (I&W) and "actionable" intelligence--the Commission's recommendations urge us to consider three major areas for improvement within the field of intelligence:

- There is a need for an improved domestic intelligence capability and that capability must be aligned with the broader U.S. intelligence enterprise;

- There is a need to update the information security policies of the Intelligence Community and to build cross agency information technology (IT) systems to permit and promote the sharing not only of finished intelligence but making it possible for an analyst to access all available information and data needed to do his/her job and to make possible the pursuit of competitive analysis;

- There is a need to infuse the Intelligence Community with a joint mission orientation and provide it with leadership able to adjust resources and personnel to meet enduring challenges and emergent threats.

DOMESTIC INTELLIGENCE

The Department has an interest in seeing a robust domestic intelligence capability that can assist in its force protection mission for our military members, our civilians and the numerous DoD installations in this country and overseas. It can also complement foreign and military intelligence to help address abroad the variety of transnational and global problems that are the hallmark of the 21st century. The FBI has made significant progress since 9/11. In the continuing enhancement of our domestic capability, special care will be needed to safeguard the rights and liberties of American citizens. There is no good trade between liberty and security.

INFORMATION AND DATA SHARING

With respect to reforming information security and expanding IT regimes to enable information and data sharing, the Department is fully conversant with and convinced of the force multiplying effects of networked operations in which its analysts and operators have access to data on the net. Those effects have been publicly displayed in OEF in Afghanistan and OIF in Iraq. The prospect of harnessing the power of networked operations to networked intelligence is one the Department supports.

It is worth noting that achieving the level of networked proficiency the DoD enjoys today has taken more than twenty years. Despite this effort our level of proficiency is not what we would like or think we need. It is for that reason we continue to seek upwards of $30B over the FYDP for network related systems, software and other applications.

Although the Intelligence Community has made great progress in this area through the information sharing working group, it will take more time and effort networking the domestic, foreign, and military intelligence organizations to achieve what we need it to be.

JOINT MISSION FOCUS

With respect to a joint perspective, the Department has had nearly twenty years of experience with "jointness." It knows how powerful a joint perspective driving joint operations can be.

It is important to realize that a joint perspective does not arise easily. Individuals naturally associate themselves with their own--families or clans, provinces or districts, states and nations. It is no different for service members who take great pride in the history, tradition and accomplishments of their parent service. Nevertheless, a joint perspective in DoD was motivated and pursued by a

recognition that singular organizations--essential though a service specialty may be were not sufficiently capable to meet the broad range of military objectives assigned to the Department. Propelled by the Goldwater-Nichols reforms of the mid-i 980s, the Department learned how to do centralized planning by Combatant Commanders employing joint staffs directing decentralized execution in which subordinate commanders in turn integrated land, sea, air and space forces into powerful joint task forces or JTFs. The JTFs are the engines of our military operations in Afghanistan, Iraq, and elsewhere.

An approach to implementing the Commission's recommendations that adopts the "best practices" from the Department's experience with jointness could yield a number of benefits.

In particular, an emphasis on joint centralized planning and joint decentralized execution might bring in its wake:

- Inclusion by the National Intelligence Director (NID) in his planning the experience and expertise of collectors, analysts and operators from across the government. This would in turn suppose some responsibility by the NID for oversight and direction in the career development and management of those collectors, analysts and operators.

- Improvement in the all source analytic capabilities of the domestic and

military intelligence sectors as they seek to fully match the capabilities within the foreign intelligence sector, especially at CIA. This would imply some responsibility by the NID to oversee IT builds, establish and enforce policies and standards for mutual access to databases and conduct periodic evaluations of the performance of the foreign, domestic, and military intelligence components with the IC.

- A determination to form, at the operating level, within the departments of the government, joint intelligence-operations organizations similar to the national level National Counter Terrorism Center (NCTC). This could result in lead responsibility for operations being assigned to a domestic, foreign, or military department, with others in support, depending on the issue. With respect to intelligence, that department could be assured that an interagency JTF-like organization would have access to departmental intelligence as well as that of the entire IC. Such an organization could enable a lead department to act quickly on strategic- level I&W. Moreover, within departments, it could create the synergy between intelligence and operations that generates the "actionable" intelligence to support an ongoing effort. That is, intelligence would feed operations; operations would create new

intelligence by virtue of its actions; and the cycle would be reinforced within the JTF-like structure, which itself would have a communications link to the NID.

- Although the NCTC will concentrate analytical expertise on foreign and domestic terrorism in one location, the President has made clear that the NCTC will assure the flow of alternative analytic views, to the extent they exist in the Center and among agencies and departments, to policymakers, including the President. This would provide the NID with three opportunities to test hypotheses and analysis: first, by sparking competition within the agencies performing domestic, foreign and military intelligence; second, among them when a problem crosses over the boundaries of their expertise; and third, between the NID's staff and one or more components within the IC. This could enrich analysis at all levels, drive collectors to gather more evidence to support contrary positions and improve the product provided to the President and the NSC, as well as to the departments with operational responsibilities.

In summary, the prospect of increased jointness within the Intelligence Community is very attractive to DoD. But as in the case of information security, information and data sharing and IT, how that joint environment is designed, when

and how planning and execution is done, what authorities are invested in whom--all are terribly important and complicated.

National Intelligence Director

The President has decided to establish a National Intelligence Director (NID). As the President made clear, the NID will serve as the President's principal intelligence advisor and will oversee and coordinate the foreign and domestic activities of our Nation's intelligence services. The President has made clear that the NID will assume the broader responsibility of leading the Intelligence Community across our government. The President has also endorsed a National Counter Terrorism Center. As the President said, the NCTC will ensure effective joint action to counter terrorism, and that our efforts are unified in priority and purpose. And, he has endorsed changes in Congressional oversight of the IC.

I did not come today prepared to discuss Congressional oversight. Here I think the Secretary's advice to listen and learn from the debate on the subject is appropriate.

With respect to the NCTC, I have already touched on the value of a joint organization in which intelligence and operations are more closely coupled.

With respect to the NID, there is much to be developed in the way of detail

on the precise authorities and responsibilities of the NID. There will be considerable debate and discussion on these issues.

But in the end, it will be important that the resulting Intelligence Community:

- Include an appropriately aligned domestic intelligence component;
- Operate under 21st century information management and technology standards so that domestic, foreign, and military intelligence components located in US government Departments and Agencies have access to databases across the IC, conduct all-source analysis and provide the NID with competitive analysis and alternative hypotheses to improve support to planners and operators throughout the federal government and in state and local governments;
- Take on a "joint" perspective to breakdown the institutional barriers and restrictions to horizontal integration and cooperation across agencies and to permit it the centralized planning and decentralized execution needed to provide the I&W and rapid reaction to intelligence.

These are difficult objectives to achieve. But they are central to meeting the challenges identified by the 9/11 Commission.

An issue that is frequently raised in discussion of IC reorganization is the

placement of the National Security Agency (NSA), the National Geospatial-Intelligence Agency (NGA), and the National Reconnaissance Office (NRO). All are presently located within the DoD. The first two are identified in law as "combat support agencies" (CSAs). (The Defense Intelligence Agency is a CSA, as well.) As such, these agencies perform essential functions within the DoD.

Their functions include collection of data to support development and acquisition of weapons systems, formulation of defense strategy and policy, the identification of the capabilities and intentions of potential adversary forces, indicators and warning of attack and support to the development of the deliberate and concept plans from which the operational plans such as OEF and OIF are drawn.

But the relationship between these CSAs and the warfighter is often more intimate than this abstract description would suggest:

- Bomber crews count on the product from the CSAs to help route them around deadly air defense units;
- Naval forces rely on the CSAs to provide the situational awareness key to reducing vulnerability in hostile environments;
- Ground forces depend on the support of the CSAs to locate, identify and track both the enemy and friendly forces, thereby increasing the

1
1

effectiveness of US and coalition operations while reducing the incidents of friendly fire;

- Soldiers, sailors, airmen and Marines in need of rescue or relief depend on the product of those CSAs to help find them, guide the rescue or relief forces to their location and help defend all of them from attack by enemy forces.

In their "national" role, NSA and NGA--as well as the other intelligence elements within DoD such as the Defense Intelligence Agency that are designated as members of the national intelligence community--operate under the tasking of the DCI. It is he who sets the priorities for collection; it is under his auspices that differences among customers and agencies are adjudicated.

With respect to NRO, the DCI and the Secretary of Defense mutually establish the performance specifications for satellite systems acquired and operated by the NRO. And while the DCI sets the budget priorities for NRO through the National Foreign Intelligence Program (NFIP)--thereby determining what systems will be acquired and when the Secretary of Defense has the option to supplement the NFIP funding through the Defense Space Reconnaissance Program to add capability to a system or accelerate its procurement.

The NSA, NGA, NRO, and other elements of the IC within the DoD are of

critical importance to both the Secretary of Defense and DCI for meeting their statutory responsibilities. It is for that reason the current relationship, in effect a partnership, was forged between them in law and supporting executive orders. Each has independent responsibilities, which include exercising his authorities to ensure the other can fully discharge his responsibilities.

This partnership could be continued when the NID comes into being without moving out of the DoD the CSAs or other elements of the IC within the department.[1]

CONCLUSION

Any proposed changes to the current structure of the Intelligence Community need to pass an important two-part test. First, how would they help

---

[1]The National Security Act of 1947, also known as Title *50,* establishes the general structure of the IC, describes the duties and authorities of the Director of Central Intelligence (DCI), and the duties of the Secretary of Defense in the Intelligence Community including the Secretary's obligations to the DCI. In particular, in section 105 of National Security Act, the Secretary is directed to ensure that the military departments "maintain sufficient capabilities to collect and produce intelligence to meet a) the requirements of the DCI; b) the requirements of the Secretary and the Chairman of the Joint Chiefs of Staff; c) the requirements of the unified and specified combatant commands and of joint operations; and d) the specialized requirements of the military departments for intelligence necessary to support tactical commanders, military planners, the research and development process, the acquisition of military equipment, and training and doctrine." The DCI and the national intelligence requirements come first.

solve problems identified by or recognized in light of the findings of the 9/11 Commission? Second, would they create new problems more difficult to overcome than those we intended to fix? Both are important. The task of capitalizing on the findings of the 9/11 Commission is difficult and complicated enough without taking on tasks that do not remedy the agreed upon problems. The latter is important because in making choices we need to be clear about how we have managed the risks we face. Few choices are risk free. We need to be certain we know and accept the risks we may create as we move to address those we know we face.

Thank you Mr. Chairman. I look forward to your questions.

THE IMPLICATIONS OF THE RECOMMENDATIONS OF THE 9/11 COMMISSION ON THE DEPARTMENT OF DEFENSE (PART II)

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, Wednesday, August 11, 2004.

The committee met, pursuant to call, at 2:05 p.m., in room 2118, Rayburn House Office Building, Hon. Duncan Hunter (chairman of the committee) presiding.

OPENING STATEMENT OF HON. DUNCAN HUNTER, A REPRESENTATIVE FROM CALIFORNIA, CHAIRMAN, COMMITTEE ON ARMED SERVICES

The CHAIRMAN. The committee will come to order.

The committee concludes its 2-day series of hearings on the recommendations of the 9/11 Commission with a distinguished panel of outside witnesses, and we are pleased to welcome to the committee this afternoon two-thirds of that panel.

The Honorable John J. Hamre, president and CEO of the Center for Strategic and International Studies and former Deputy Secretary of Defense and a real friend of the committee, a guy who is provided his expertise and his wise counsel on many occasions, and also Dr. Lowell Wood, senior scientist at Lawrence Livermore National Laboratory, a gentleman who similarly has been on a number of our Blue Ribbon panels and has served the Nation very well and has had, I think, some very cogent remarks and very instructive positions on this 9/11 report.

So this fourth hearing is primarily concerned with the implications of the 9/11 Commission's proposed intelligence reforms on the Department of Defense. And while there is broad agreement that we can, should and must do better in the intelligence business, the public debate so far has largely taken place with a fairly narrow focus on avoiding a repeat of the failures that led to September 11.

While that is understandable, we must ensure that reforms don't have undesirable and unintended consequences. For example, recommendations to weaken the relationship between warfighters in the defense intelligence assets that support them could undermine our military edge and put our soldiers at risk. And it is very clear, and I think the panel, the Commission leaders, Mr. Hamilton and Governor Kean both emphasized over and over that there is no intention to weaken in any way the effective relationships that our fighters in the warfighting theaters have with the provision of the assets that give them near real-time intelligence.

So that question was beyond the purview of the 9/11 Commission, but it is an issue with Congress and the President, and we

have to deal with it as we work to reform the intelligence community.

Today we are going to review a few of these ideas with some expert witnesses. And Dr. Hamre, of course, once again, is familiar with us and has a very distinguished record as comptroller and Deputy Secretary of Defense in the last administration, and Dr. Wood is one of the most creative people at Livermore National Laboratory and I think a real national asset. You have given us the benefit of your wisdom, always unvarnished, on many, many issues. We appreciate that. And I know we have the staff checking to see if General Odom is nearby, and I understand that his plane was late, and so he is on his way. But what I thought we would do is go ahead and fire up the hearing and we will turn to General Odom when he arrives.

So having said that, I don't know, gentlemen, if you had a chance to watch our earlier hearings, but I think we have had some very productive hearings to this date, and I think it is appropriate that we have some outside commentary at this point, and I think there is nobody better to do this than you.

So at this time, I would like to recognize my colleague, my good partner from Missouri, Mr. Skelton, for any remarks he might want to make and then we will go to the witnesses.

[The prepared statement of Mr. Hunter can be found in the Appendix on page 325.]

Mr. SKELTON. General Odom just walked in, Mr. Chairman.

The CHAIRMAN. And, General Odom, welcome. You become more distinguished all the time.

STATEMENT OF HON. IKE SKELTON, A REPRESENTATIVE FROM MISSOURI, RANKING MEMBER, COMMITTEE ON ARMED SERVICES

Mr. SKELTON. Mr. Chairman, in light of the fact that we have three witnesses, very important witnesses, and in light of the fact that some folks may end up trying to catch airplanes tonight, I ask unanimous consent to put my opening statement in the record at this point, and of course I will elaborate on questions at a later moment.

[The prepared statement of Mr. Skelton can be found in the Appendix on page 329.]

The CHAIRMAN. Without objection. And I thank the gentleman.

And why don't we just go—unless our staff has set up a different batting order here, why don't we just go left to right, and, Dr. Wood, what do you think?

STATEMENT OF DR. LOWELL WOOD, SENIOR SCIENTIST, LAWRENCE LIVERMORE NATIONAL LABORATORY

Dr. WOOD. Thank you very much, Mr. Chairman, for the invitation to comment. As I noted in my prepared statement, I have been a long-term consumer of the products of the American intelligence community and a shorter-term student of it. I am a friendly critic to the IC, or the intelligence community as it is generally known, and a strong believer in its purpose, indeed its necessity and in its fundamentally good performance, especially during the Cold War.

In any case, I am speaking today purely as a private individual, not representing anybody or institution. The opinions and advice that I offer are entirely my own. I will speak incisively for purposes of brevity and clarity.

Mr. Chairman, the single most notable problem afflicting American intelligence as a basic governmental function is the lack of effective governance from both the executive and legislative branches that it has suffered for the past half century and the resulting lack of real hard-nosed accountability that too often burdens it at levels ranging from its senior managers to working-level folks in the field.

There are, to be sure, thousands of intelligence community (IC) managers, dozens of true leaders in the IC and some very capable senior officials over the IC, and indeed you heard one of the most gifted of them just before lunch. But I submit that governance in the sense of article 1, section 8 of the Constitution is nonetheless deficient.

Congressional providing of good government for the IC will go a very long way toward remedying all of the problems that have recently become so prominent and to which the 9/11 Commission addressed itself. Only the Congress can really address these problems, as the necessary changes are intrinsically statutory ones.

We all recall that the IC has grown a bit like topsy, created and modified mostly by a succession of Presidents over the last five and a half decades in a generally ad hoc manner, primarily to support by other means the historic American-led confrontation of the Soviet empire. These distinctive features make it a large-scale anomaly in the Federal Government if not an all together singular case.

The bottom line, the President is the only honest-to-goodness real authority-wielding supervisor of the IC as a whole. This, in actual fact, amounts to little traditional American type governance at all. Moreover, with even less demonstrable accountability for its product.

This brings us naturally enough to the set of issues concerning congressional oversight to the IC. It is my distinct impression that, paraphrasing Churchill, "net real oversight by the Congress of the IC is modest with a great deal to be modest about." In major part, this is due to a firmly held viewpoint throughout much of the IC that legislative oversight doesn't add that much net value at all to the governance that it does get from the President—a viewpoint that seems to be crucially shared by a long succession of Presidents who understandably appear to regard the IC as one of their most interesting and potent instruments of office.

History undeniably relates the tangible will of Congress, though definitely not flimsy, as not exceptionally strong either in this entire area of oversight. This, I believe, upon considerable reflection, lies at the root of the present, essentially tragic, situation.

The American system of government, for better or worse, is structured for and expects dynamic tension between, more or less, equally powerful legislative and executive branches. When this tension is largely absent, especially for prolonged intervals, it is remarkably difficult for good government to occur with any reliability, especially in highly cloistered circumstances often demanding intellectual and other forms of entrepreneurialism and when other than pro forma accountability is intrinsically challenged.

My recommendation to the Congress with respect to IC reform thus is a remarkably simple one. First, provide by statute for genuine accountable governance of the IC within the executive. That is the comparatively easy part. That's what the 9/11 Commission primarily addressed. Then—and here's the hard part—the Congress should provide for truly effective legislative oversight of these new executive structures and their functions.

Each of these two steps is utterly necessary. Together, I suggest that they will suffice to essentially completely fix the fundamental structural problems that currently bedevil the American Nation in intelligence matters.

The single best paradigm for what is now needed in the way of executive governmental structures is provided by the historic example of the Atomic Energy Commission (AEC), a novel structure created by the Congress to manage the development to the national interests of what was then perceived at utterly novel means of overwhelming power, promise and danger.

Over a general manager exercising plenary day-to-day power of the then gigantic atomic energy empire, the Congress put a full-time commission of distinguished citizen members, appointed by the President and confirmed by the Senate to staggered terms. The Commission elaborated basic national policy specified by the President to the Congress and supervised the general manager in its implementation.

Most crucial of all, the Congress created a Joint Committee on Atomic Energy to recommend both authorizing and appropriating actions to both houses. It was this committee, far more than any other consideration, that made the atomic energy enterprise of the American republic the outstanding, indeed the historic, success that it was for nearly three decades in the middle of the past century. I respectfully commend consideration of this particular history to the Congress in the strongest possible terms as it now contemplates intelligence reforms.

I must add that some intelligence function, those of a tactful nature, and particularly those immediately concerned with combat operation, are innately military and would be removed from the armed services only very foolishly, likely at the cost of many American lives in time of war.

The AEC structure and operation accommodated such intrinsically military functions very naturally and highly effectively simply by double-hatting the cognizant military officers into its organization. The extraordinary record of safety, reliability and operational effectiveness of American naval reactors over the past half century is incontrovertible testimony, not only to the exceptional personal qualities of Admiral Rickover and his successors but also to the superb legislative craftsmanship of those senior Members of Congress of the Joint Committee on Atomic Energy who created in statute the basic executive structures within which these notable officers worked and then oversaw their optimal operations.

Similar double-hatting would serve equally well the present-day needs of an intelligence commission, providing fully for the undeniably legitimate interests of Department of Defense's (DOD's) warfighters while also providing the benefits of tactically derived

intelligence to America's key strategists and senior-most decision makers.

It is entirely reasonable for you and your colleagues to wonder if such drastic changes are truly needed and, specifically, if a joint committee must be called into existence. I specifically suggest, and respectfully so, that the Congress clearly isn't starting with a fresh sheet of paper in addressing this problem. In football terms, it is third down and 25. More time has lapsed since the 9/11 attack and the present day than elapsed between Leslie Groves taking over the brand new Manhattan Project and the nuclear raids on the Japanese that ended World War II, and yet we Americans are still cowering under vague but stern threats from our imperfectly informed national leadership in the war against global terror.

We are admonished routinely that the threat of domestic attack is as great as ever, three years after the war got seriously underway. The problem simply isn't getting fixed by business as usual approaches, and rather drastic changes are by now quite clearly called for.

I respectfully suggest that history now summons the Congress to take all of the drastic steps that it traditionally takes in real wartime, including entrusting plenary oversight responsibilities into the hands of a relatively few of its senior leaders, implicitly instructing them to continually and closely engage the executive in the successful prosecution of the conflict as only a joint committee is able to do.

In a war against transnational terrorism, one in which the enemy has no specific addresses, only very diffuse centers of gravity and troops that don't wear uniforms or inhabit barracks, intelligence operations comprise the key battlefields. Thus, if the American republic is to triumph in its traditional manner, it must engage far more effectively on these strange new intelligence battlefields than it has to the present day. Our de facto hunker and endure tactics must be replaced by advanced and triumph ones, and vastly more effective, far more efficient intelligence will be required to reliably chart the course to victory.

The American people rightfully look to their elected leaders to take all steps necessary to win this war. Some basic restructurings of both the executive and legislative branches of our national government are sorely needed to martial America's strengths along quite new lines in order to meet the novel challenges posed by global terror. Indeed, this marshaling will, in Kennedy's memorable phrasing, send forth the word to all, whether they wish us well or ill, that the United States is now purposefully engaged in this utterly new type of global conflict and that we are determined to win it. The American cause will be notably advanced thereby.

I respectfully request that my prepared statement be included in the hearing record. I look forward to responding to any questions or comments that you and your colleagues may have. Thanks for the opportunity to comment. Thank you, personally, Mr. Chairman, for your outstanding and invaluable leadership in these vital matters.

[The prepared statement of Dr. Wood can be found in the Appendix on page 360.]

The CHAIRMAN. Well, thank you very much, Mr. Wood, and part of that leadership means being able to get your telephone number in Maine, and I hope that your daughter who is in the math class, math camp, continues to do well up there. I know you were having a good vacation when we called you. We greatly appreciate your input, and as usual it is very good and very provocative and brilliant as always.

General Odom, thank you, sir, for being with us. We appreciate your help over the years on some tough issues. The floor is yours, sir.

STATEMENT OF LT. GEN. WILLIAM E. ODOM, USA (RET.), SENIOR FELLOW, THE HUDSON INSTITUTE

General ODOM. Thank you, Mr. Chairman. It is an honor—is that on now?

The CHAIRMAN. Yes.

General ODOM. Thank you, Mr. Chairman. It is an honor to be here and appear before you and the members of the committee, and I also am asking for my statement to be submitted for the record. I think you have copies of it.

The CHAIRMAN. Without objection, all the statements will be taken into the record.

General ODOM. I will not read that statement to you; rather, I will just sum up what I think are the key points that I would have to try to help bring the questions to the discussion.

You have asked what are the implications for the 9/11 Commission's proposal for the Defense Department and military services. The answer is, in my judgment, confusion and ambiguity about responsibility and some fragmentation in resource management at the national level, that is the intelligence community, into three or four blocks rather than one big one.

I think there would also be greater irrelevance of some of the national level produced analysis for the military and probably some of the diplomatic operations. But that I can't be sure about unless I knew more about how these so-called centers, the cluster of centers under the national intelligence director, would operate.

One aspect of the proposal makes a lot of sense, what I thought made sense for at least 10, 15 years, and this is splitting the Director of Central Intelligence's (DCI's) role from the role of the director of Central Intelligence. But this can best be done, in my view, by amending the 1947 act simply to make it two separate posts, not be enacting a new law in the creation of a national intelligence director inside the White House where I am afraid he would compete with the national security advisor and also be in control of what looks to be like a fairly confusing staff apparatus designed to support him.

Now, a separate DCI will need enhanced staff support in two major areas: Resource management in intelligence collection of management and production at the national level. Progress has been made at least since the 1970's on that, and my own proposals for reform and a book I have written on it really build on those in kind of evolutionary sense. And I think that also could best be done by trial and error and executive order.

Now, as a final point, let me emphasize that the DCI's budgetary authority, which has become a major issue in the proposal and in other proposals such as the draft bill for creating a director of national intelligence, it seems to me is broadly misunderstood. DCI has long had program budget management authority over all the IC elements. I have actually seen copies of memorandum written in 1970 signed by President Nixon assigning him that authority and reaffirmed by all Presidents since. And I am not sure about the sitting President today, but I expect that he too has reconfirmed that.

I also believe, and I have to have the lawyers check this and the accountants more fully, but I don't think that this program budget authority, that is building the programs before they come over here to the Congress, is any less than the Secretary of Defense (SECDEF) has over the military department.

The military departments execute the budget, and as you probably know, you write the line item so that money can't be moved around except in very small amounts, and above a certain threshold for reprogramming from one line to another the Defense Department's required to come back and ask your for authority. Same is true of the intelligence community, and when I was at the National Security Agency (NSA), if I wanted to reprogram monies above that level, I had to get the DCI's permission.

The real authority to move money around is before it comes to Congress. It is in building the program budget that will be looked at, screened by the Office of Management and Budget (OMB), then approved by the President and sent over here.

I think the problem has been that unlike the Defense Department where McNamara installed fairly rigorous PPBS system, that is Planning Program Budgeting system, relating line inputs to combat outputs has never been established in the intelligence community.

There are several reasons, but the one I would underscore is the way the National Reconnaissance Office (NRO) is funded. That is a procurement organization, not an intelligence organization. Letting it come to the Congress with its own budget is like letting the Army Materiel Command (AMC) have a budget outside of the Army or the Navy Systems Command have a budget outside of the Navy. You who have dealt with both of those agencies can just imagine what kind of procurement biases you would get with those arrangements.

So I think the problem in budget control is one of internal IC organization and process that can be managed without any change in the law.

The CHAIRMAN. Did you say NRO is under the DCI for budget?

General ODOM. It is part of the National Foreign Intelligence Program. The piece which Secretary Hamre will be far more eloquent in describing here than I can possibly be would be the negotiation between the DCI and the Secretary of Defense for what will be the top line of monies allowed from the Defense Department budget that go into the National Foreign Intelligence Program. Once that is established inside that line, in my experience, DCI had final say.

He did not have good analytic methods to discover how best to spend it. That was not apparent to me for about a year, but I soon began to realize it was the absence of this ability to develop programs, and I have even gone so far as to specify what the five intelligence community programs ought to be.

They ought to be the Signals Intelligence Program, the Imagery Intelligence Program and the Human Intelligence Program; in other words, the collection disciplines. Then there needs to be one for analysis, all sorts of analysis, at the national level that falls within the National Intelligence Projections & Planning (NIPP), which includes some in the Defense Department, Bureau of Intelligence and Research (INR), State and it would in Homeland Security and Treasury and Energy. And, finally, a counterintelligence program. So those would be the five outputs that I think make the most sense.

I think the 9/11 proposal buries this problem, it more or less ignores it, and if you solve that problem for the Defense Department, the Secretary of Defense and the military services, the joint chiefs, would have a much clearer, more transparent view in to how the intelligence monies are being spent to their advantage. And to what extent the intelligence community serves other people of government was always an issue in my own service when I was director of NSA.

So let me add one last point that I think is lost. There is nothing radical in the reforms of the proposal or in anybody else's proposal for counterintelligence. These structural reforms will eventually increase, if they are implemented right, would increase the efficiency and the use of resources. Getting better intelligence of the kind Dr. Wood so eloquently talked about needing in my view is not a structural issue, that is a policy leadership issue. But that will be easier to achieve if you have a more efficient use of resources.

The one structural change, it seems to me, in the not too distant future, much closer because you could have an impact on the war against al Qaida and other such organizations, would be creating not an Directorate of Military Intelligence, Section 5 (MI5) type but a considerably different national and counterintelligence system without arrest authority but with the authority to coordinate all of the Central Intelligence Agency (CIA) counterintelligence operations and those of the three military services.

Today, there is no comprehensive counterintelligence picture in the government, and I have seen cases of agents running between these counterintelligence programs. Until you give an agency coordinating authority across them, you will never have a comprehensive picture, and you won't close those gaps.

And, finally, I think for both cultural and structural reasons, any organization with arrest authority will do poorly at counterintelligence.

Thank you, Mr. Chairman. Those are my comments.

[The prepared statement of General Odom can be found in the Appendix on page 333.]

The CHAIRMAN. General Odom, thank you very much, and your appearance before this committee always makes me reflect on the fact that you and others like you are a real resource to the country.

I appreciate you taking this one on and doing a very thoughtful analysis and presenting it before the committee.

Mr. Hamre, thank you once again for all your service to the nation, and we have seen some of your writings in recent weeks in the various op ed pieces. Tell us what you think.

STATEMENT OF DR. JOHN J. HAMRE, PRESIDENT AND CHIEF EXECUTIVE OFFICER, THE CENTER FOR STRATEGIC AND INTERNATIONAL STUDIES

Dr. HAMRE. First, Mr. Chairman and Mr. Skelton, thank you for inviting me to come today. I was reflecting in coming up. I think I have testified before you a couple dozen times through the years. It is always fun to come back. Especially when I am not in government, it is even more fun, but I don't think I ever was here when there was a more important issue on the table and when there was a more important issue that is we are counting on you, all of you to lead here and to deal with.

This is an issue of genuine constitutional proportions. We are asking you to find a formula that is going to protect us as people, both from hostile forces outside and frankly from our own government. We worry about spying and we have to have it in American society, and we have to have it in a way that it is reliable and it is trustworthy, and we are counting on you to strike the balance for that.

So nothing is more important than what you are doing now, and I want to personally thank you for coming off of the August recess when I know you all had responsibilities back home, to break that and to come here to be leading the country on these issues. It is crucial, and I personally want to say I am very grateful that you are doing it.

I have watched this debate ever since the 9/11 Commission made its report, and I will be honest, I am worried. First of all, let me say I think the 9/11 Commission has rendered a great contribution. I am very grateful for what they have done. But they have organized a set of recommendations to restructure the intelligence community that is really built around one problem, and that was the problem on September 11 when components of the intelligence community didn't talk to each other, and we had difficulty, both internal to organizations and then across institutions in communicating information that we collectively needed. Now, this is referred to in the popular parlance as a connect-the-dots problem. It is a real problem, it is a big problem.

But there is another problem that is facing us. There are several, but there is another big problem, which I think has fallen a bit off the public table right now, and that is the problem of when we went into Iraq. I was absolutely of the view we were going to stumble over the chemical and biological weapons. I couldn't be more shocked that we didn't find anything. And our whole community was really convinced that we were going to find it. There was no place that we looked at more intensively for a period of 10 years than Iraq.

It is, I think, an extreme version, but it does reflect a serious problem we have in the intelligence community, and that is we tend to develop a narrowness of perspective around conventionally

accepted perceptions. And this is called group think, where you say we all start thinking the same way and therefore we stop seeing it and stop looking at it. That is just as serious a problem.

Now, my reservation about the 9/11 Commission's report is that they want to solve the connect-the-dots problem, but when you solve that you are going to make the group think problem worse, because you are going to bring all of the intelligence instruments under one person. I think that is a step in the wrong direction, to be perfectly honest.

Now, if you want to solve the group think problem, you are going to have fractionated community and you are going to have a connect-the-dots problem. So we have these two that are in tension with each other.

Now, personally, I was not keen on creating a director of national intelligence (DNI) for a collection of reasons, but I am pretty realistic politically. When both President Bush and Senator Kerry have endorsed it, we are going to get a DNI. I just understand that. And now I think it is important that we get the right DNI, and that is really what you all are going to have to do.

Now, my reservation with the 9/11 Commission and Senator Kerry is that they are solving the connect-the-dots problem. My reservation about the President's proposal is it is going to create a very weak DNI, and it may solve the connect-the-dots problem but the unity of thinking problem or avoiding group think but it is not going to solve the connect-the-dots problem. So we have got to find a path for this.

Now, I am going to recommend something to you that I know is controversial. I don't think you can have a weak DNI. I think that would be a real step in the wrong direction. So how do you have a strong DNI? And I think you have to undergird this position with real resources.

So, first, I have come to this reluctantly, to be honest, and Bill and I, we have debated this, we have argued about this, and I know he doesn't agree with me. I am inclined to think that we need to create a DNI and give him institutional strength by giving him the factories that produce raw material; that is, the NRO, the National Geospatial-Intelligence Agency (NGA) and NSA. These are the big institutions that support the entire community as well as DOD, and I would like to speak for a moment about the DOD side because I know my friends are worried about this.

They run the factory. They produce the raw material. I do not want to take the analytic side of the intelligence community away from the cabinet secretaries. I think that would be a mistake. I think you want the diversity of perspective that the Secretary of Defense brings, that the Secretary of Treasury brings, that the Secretary of State brings. You want that diversity of perspective coming to the President so that he can make a decision. You don't want to suppress that and have it channeled through one voice. So it solves that problem.

Now, it does raise the question of do you create an unacceptable problem by taking these intelligence factories away from the Defense Department? Will you break that link that is crucial for the military? And that is a real issue. We ought to talk about that. Now, I—first of all, let me tell you, I do not want that to happen,

and we have to do everything we can to make sure that doesn't happen. We, in DOD, we need not just a finished intelligence product, we need the raw electrons, because we are going to drop a bomb on somebody based on electronic signature. We need it direct. So can we get that and yet not physically own the assets and have them working for us? That is, I think, the central question.

I think we can. I am not naive. I know there are going to be some challenges if we do that. Now, my personal view and recommendation is that we if we do it, first, make sure we do not sever the continuing close relationship of the intelligence community inside the services with those agencies. We send officers and enlisted personnel into the National Security Agency, into the NRO, into the NGA, and we should continue to do that. Frankly, we need to do that, because they don't have a sufficient rotation base inside the service just to keep it contained inside the service. You need to keep sending them back and forth, but we should, because I am convinced that that will make sure those institutions see it as their highest priority is to support our guys in battle. That is the first thing.

Second, I would create a board of directors around this DNI that is comprised of the operators so that the vice chairman or the joint chief is sitting there and has a representative every day meeting with the DNI and the collection agency to make sure that any issues are resolved quickly. And you can bubbling up fast if you have to, and I think we ought to have that kind of confidence it could happen.

Third, we are going to see, I think, an interesting change over the next several years where tactical intelligence platforms are going to become more important in the strategic picture. For example, when we start buying long dwell remotely piloted vehicles (RPVs) for intelligence purposes, we will use that on the battlefield. It is also going to be a feed into the national system. I think that is a good thing. I think that links us, continues to keep us linked between this entity, the NSA, for example, under a DNI and the Defense Department.

I am not naive that there will be challenges, but I do not think that the recommendation of the 9/11 Commission to have the budget and the personnel inside the Defense Department controlled by an individual outside of the Defense Department is a good idea. I think that is a bad idea. I think we know that ambiguous chain of command usually creates problems in our world, and so we want to avoid that.

I also believe that the President's formula is going to give us a weak and ineffective DNI, and I don't think we can afford that. So I reluctantly come to a conclusion that says we have got to give genuine depth underneath a DNI so he can do his job, and then we have to manage the problems that will come out as a consequence of that. I think we can do it. It is going to depend, and I very much agree with Dr. Wood, that your oversight becomes crucial to make this work—absolutely crucial.

And let me then finally say I strongly agree with General Odom, and I hope you took note on this, the counterintelligence mission really needs attention in this country. We do have a counterintelligence executive now, and that is Michelle Van Cleave and I think

she is got great promise, but she needs help, and you all need to be meeting with her and finding out what you can do to help her in that role.

Thank you very much, Mr. Chairman.

[The prepared statement of Dr. Hamre can be found in the Appendix on page 354.]

The CHAIRMAN. Well, thank you very much, Dr. Hamre, and thanks to all of you. You have given us, I think, good, candid, unvarnished look at this thing in a way that can help us to discuss it and think about it.

And, incidentally, once again, we have a fairly robust showing of our committee and we are very proud, gentlemen, that they have came away from their district duties to be here for these hearings, and we want to make sure everybody gets a chance to ask a question, so we have going to be under the five-minute rule, and that yellow light will go on when you have got two minutes left.

So a member can either, if he wants to make a statement a little longer, he can use that two any way he wants, but at that point, he might want to hand it off and makes sure his question gets answered, because I would like to ask the panel to try to—you can finish your sentence but try to finish within the five-minute time so we have got—before the red light comes on or after it comes on so that all members have a chance to ask a question.

So I will ask the staff to stick my light on and I am going to try to make a real quick one.

Dr. Hamre, let me get straight again your medium position here between what you would call the panel's position and the President's take on that with respect to the DNI, the director of national intelligence. You do want to give him the assets of DOD, you do want to give him full accountability, but then you made a statement at the last you thought that would be—to give him the money and the control in DOD would be dangerous. I didn't quite understand that midpoint that you are talking about.

Dr. HAMRE. Sir, I believe that—my objection to the 9/11 Commission is they are turning over the analytic side of our intelligence community to one person. I don't like that idea. I want the analytic side to remain with cabinet secretaries. My reservation about the President's is that he is going to have a DNI with no teeth, no power. And it is going to, by the way, diminish the CIA in the process by splitting the job.

So I want to get a strong DNI, and the only way I can conceive to do that is to give him the institutional power of giving him the factories, the collection institutions. That would be NRO, NGA and NSA. He would be responsible for running those institutions on behalf of the entire intelligence community. The rest of the community would remain with the cabinet secretaries, and he becomes a utility provider to the rest of the community. That would be my position, sir.

The CHAIRMAN. Okay. But the CIA director would remain the——

Dr. HAMRE. CIA director.

The CHAIRMAN. And the human intelligence (HUMINT), obviously, if a function of that.

Dr. HAMRE. Remains.

The CHAIRMAN. But now that is under the DNI?

Dr. HAMRE. No. Sir, it would be under the head of the CIA. They would be accountable to the CIA. I would not move the human intelligence function out of the CIA.

The CHAIRMAN. Okay. But the CIA would be subordinate, if you will.

Dr. HAMRE. Just like one of the other cabinet secretaries inside the community.

The CHAIRMAN. He would be subordinate to the——

Dr. HAMRE. Subordinate to the DNI.

The CHAIRMAN. Okay. And let me just ask you real quick—well, I will tell you what, I will have further questions as we get down through the line and get the rest of our members to get a chance to ask questions, but I am going to want to follow that in some depth with respect to the warfighters, because we have had a lot of testimony on that today.

Let me turn to the gentleman from Missouri, Mr. Skelton.

Mr. SKELTON. I will limit my questions to just one. I have several others.

Dr. Wood, explain how you would improve congressional oversight?

Dr. WOOD. Sir, I believe the essence of it is having a single point of contact in the Congress for the intelligence community in what, as I said at the present time, is fundamentally an intelligence war. The war against terror is combat against a type of enemy that we have never faced before but one which is nonetheless already showing the ability to attack us twice in a serious manner, once in a catastrophic manner on our own territory. This is real honest to goodness war, and it is war like we haven't seen since 1812, at the very least.

So we have to do things in a fundamentally different manner, and one of the key things in this respect is giving the executive a single point of contact on Capitol Hill to come to when they need authorizations, when they need appropriations, when they need counsel, when they need guidance. So a crucial aspect of fighting the war from a congressional standpoint is the single point of contact.

That is the joint committee I recommended, which is not only joint between the two bodies of the Congress but shares authorization and appropriation responsibility so that the government has great agility when the executive needs to do things which are fundamentally different to fight the war it comes to the joint committee and requests the authorization and appropriation recommendations to both houses of Congress, and it gets action on those recommendations swiftly.

This is almost a sine qua non for making sure that our enemies don't continue to turn inside our tactical radius. That is what they are doing at the present time. They are small in numbers, they are small in resources, but they are very agile, and they are exceedingly opportunistic, and if we don't behave in a fashion that confronts that effectively, we will continue to lose, we will continue to cower in our own national territory.

We haven't done this, sir, for a very long time, and it is time we put a stop to it. The Congress has to take the necessary step and

that is to provide the agility to the executive and that agility will come, sir, I believe, only through a joint committee. Thank you, sir.

The CHAIRMAN. I thank the gentleman.

Gentleman from New Jersey, Mr. Saxton.

Mr. SAXTON. Thank you, Mr. Chairman. Let me turn the subject just slightly. Over the past 2 days, there has been a fair amount of conversation, particularly generated here on the Armed Services Committee, about the potential effect of the 9/11 Commission's recommendations on our ability to carry out military actions vis-a-vis the new enhanced necessity of using intelligence in perhaps a slightly different way than we have traditionally used it.

And I would just like to give each of you an opportunity to comment on—obviously, you have looked at the 9/11 Commission report, its recommendations, and can you relate to us what your thoughts are with regard to its effect on our military capability?

Dr. HAMRE. Mr. Saxton, my reservation about the 9/11 Commission report is that it basically leaves the intelligence agencies inside the Defense Department but it gives the control of them to someone outside of the Defense Department. I don't think that is healthy. I am more confident if I know I have go to someplace to get the help than when it is ambiguous over who is in charge. I would prefer to have a clean alignment.

I would like to keep the assessment side of the intelligence inside DOD. I would like to keep the operational side when we do—for us, we have got very specific needs for our operations. But for running the satellites, for running the listening stations, the machines that produce the intelligence, I am convinced that we can find arrangements that will give us reliable access to that knowledge and not have the institutions actually owned by the Defense Department.

General ODOM. I think it would build walls that fragment Defense intelligence from homeland security intelligence and from other foreign intelligence, the three deputies. It would essentially—I don't see how the new NID would implement his budgetary control except to those three deputies, because they are on the resource management side. And it is precisely that across-agency problem in resource allocations that won't overcome, not reinforce.

Now, I cannot let pass points that Dr. Hamre made here. If you pull those agencies out of the Defense Department, I can tell you the Defense Department will abandon them because two-thirds of the personnel in NSA belong to the military, and they will take them and recreate their own units.

When I was the director of NSA, I had a constant struggle with most of the services about their relations with NSA. Some were more inclined to be cooperative with us than others, and one of my major problems was getting the civilian force inside NSA to agree to do these real-time tactical support missions. Move them outside of the Office of the Secretary of Defense (OSD) and they will abandon them entirely. We will go right back to the prioritization problem where if you wanted to shift civilian assets to deal with a crisis on Saturday, they say, "Well, we can't do that until Monday morning, until the Intelligence Committee (SECINT), meets and reestablishes the collection priority." It took years to overcome that.

To break that would be to reverse a rather dramatic but slow, progressive change in orchestrating national and tactical systems

in SECINT, and I suspect that Imagery has gotten only a small distance toward the kinds of tactical national symbiosis that has been achieved in NSA. And this would just set it back. I mean it really would go right back to what you had when before in the imagery community most of what you had with the CIA before and which Director Deutsch agreed to put together and which the committee in the Senate supported. So I see no positive things out of the proposal, and I see several negative things in the 9/11 proposal.

Dr. WOOD. Sir, two things. I thought the comments of Secretary Hamre and General Odom on these points were very cogent. The two things that jumped out at me on the 9/11 report along these lines was that they spoke very much to what could be done and they really didn't address that sharply some aspects of what should be done. They focused on the politically feasible rather than the things which are necessary in the national interest.

In particular, they admitted two very large subjects necessary changes in the Congress and necessary changes with respect to the artificial division between foreign and domestic intelligence that we Americans have set up in the last three decades in this country. Our enemies don't respect the distinction between what happens inside the United States and what happens outside the United States. They mounted the 9/11 attack almost exclusively within our own country where our intelligence gathering capabilities were weak to nonexistence. They are still not strong. They will not be strong until the congress changes fundamental national policy along these lines.

So my basic critiques of the 9/11 Commission were not the active ones that my 2 colleagues here just mentioned but the omissions. Namely, they didn't say what the Congress needed to do to itself to better posture the Nation in this war, and very specifically they didn't address the absolutely gut-level issues of the distinctions that were drawn in the seventies between foreign intelligence and domestic intelligence. Those are absolutely essential.

The CHAIRMAN. Thank the gentleman.

The gentleman from South Carolina, Mr. Spratt.

Mr. SPRATT. Well, thank you all for your testimony. I greatly appreciate it. I am not quite sure how to sum it up with respect to where we stand. As I read the Commission report, and I think as the commissioners themselves took testimony, I think they saw their characters like characters in a Greek play who sort of sense their fate as the information, the interception, the NSA became increasingly threatening and ominous. And then they got closer and closer to home, it was obvious that their fate—our fate was looming but the characters seemed helpless to do anything to avoid it.

And so what the Commission has recommended is to create some entity, some individual who is got the power to bring together these 15 different entities that have some intelligence responsibility, to summon their collective abilities, to merge their efforts when necessary, to focus them, to task them.

And Lee Hamilton, who is been around government for a long time, has a very practical attitude about it, and that is if you don't control the purse strings in this town, nobody really takes you seriously. I have been on the Government Operations Committee. Barney Frank used to call it a jawbone committee. We don't authorize

anybody's budget, we don't appropriate anything. People don't like to get scolded, but for the most part they don't take them terribly seriously. Unless you control the purse strings, which the NDI would or the joint committee would, you don't get listened to.

And by the same token, if you are supposed to be responsible for all their functions and you can't choose the senior leaders or at least have some kind of influence over the selection, removal, promotion, whatever, you once again don't have—you get relegated to the role that the DCI finds himself have to evolved to now.

If not an NDI, what do we have? What kind of entity do we have so that we can avoid this helplessness that prevailed before the 9/11 events?

Dr. WOOD. Can I answer that? I think the one positive thing out of the report is to separate the role of the DCI from the director of CIA. If you look at the real powers of the DCI, he has the power to do that; he didn't do it. If you look at the Senate study of what happened before 9/11, one that they put out a month or 2 ago, you will see that the DCI tended to be the director of CIA and not the DCI. That role was abandoned. That is why you didn't have somebody putting these together.

The DCI has a national intelligence council. He has national intelligence officers under that. He could beef that staff up with a big interagency group. He could do pretty much what he wants to without any legislation. I don't think it is a structural problem. I do think you have a structural problem in having double-hatting. It prevents the kinds of developments that would solve some of these problems and also increase the efficiency and use of resources.

Mr. SPRATT. Well, does your DCI still run the CIA as well as become the director of Central Intelligence?

Dr. WOOD. No, he is not. There will be a director of the Central Intelligence who is essentially the clandestine service, and I would give him bureaucratic ballast in power. I would give him—the present DI, Directorate of Intelligence, is must too large. My own experience is that the use and effectiveness of intelligence is inversely related to the number of all-source analysts, and one of the problem is that there are too many of them and I see the proliferation in these centers of even more analysts.

Now, as far as the competition among analytic agencies, I completely agree with Secretary Hamre on that. And there is no reason to keep INR and State out of participating in the national intelligence production or DIA or the three military services or NSA or the National Imagery Agency.

Mr. SPRATT. Well, you still have an NDI. You just call him the DCI, but that is not——

Dr. WOOD. Oh, sure. I don't care if you call him the NDI. I am quite happy with the name. The thing that is most important—and I do support the proposal in separating those two. That to me is its most positive aspect. That would open the logjam to do some of these other things. I would hesitate to do all the details that are recommended now, because I don't really understand fully what the ramifications would be, but I can think up a few, and the ones I see I don't think people putting together fully understood it. I

think they have devoted a huge and brilliant amount of attention to putting it together but not to——

Mr. SPRATT. Let me squeeze a question in before the light changes. You say very emphatically that you can't put this person in the White House because he would be a dysfunctional competitor to the national security advisor. Is that a necessary outcome? And if he is not in the White House, does he have the clout, the authority, the stature to go to 15 other agencies in the government, including DOD, and really be the director of Central Intelligence?

Dr. WOOD. I agree with you on resource control. He has the resource control on the books now. He doesn't use it. If he used it effectively, they would move. He moved my money around as he darn well pleased when I was the director of NSA. He didn't do it through a PPBS project, he did it to let the NRO take my money.

The CHAIRMAN. I thank the gentleman.

The gentleman from New York, Mr. McHugh.

Mr. MCHUGH. Thank you, Mr. Chairman. I am a big believer in the adage, "A little knowledge is a dangerous thing," which speaking of myself makes me a very dangerous person a lot of times but especially in this process. I deeply appreciate you gentlemen being here to share your perspectives because we all want to do this right, whatever it is we may ultimately do.

Dr. Hamre, I couldn't help but notice, and I don't mean to characterize you, sir, but I thought I detected a reaction when General Odom made some suggestions about the potential erosion of intelligence to the war fighter under the proposal that you spoke about. That is my major concern in respect to this committee, and I thought the general certainly articulated my concerns much better than I did. Whether he is right or not, I don't know, but that is how I feel. So I would like to hear your response based on that little tick I caught.

Dr. HAMRE. Sir, no, I think that is the central worry. I think we all have that worry, and I certainly share Bill's concern that we can't let that happen. I mean, overwhelmingly, we can't let that happen.

I, first of all, have more confidence in the success that he created and his successors have created to create a culture in NSA and in the other services where they see their first job as supporting the warrior, and I think they do. That has been very much my experience. I have been on the Advisory Board for NSA for the last three years. They take it extremely seriously. That is how they measure their success is being able to help the guy in the field.

I don't think that is just going to revert back, number one. Second, I don't think the services can afford to reproduce NSA if NSA leaves the Department of Defense. I know they can't afford to do it. I know a lot about their budget problems right now. And so they are going to be forced to work with them, and they are also bringing a lot of assets to the collective enterprise. A lot of the collectors are still in tactical hands. So there is a lot of shared dependency in that community, and I think it will persist.

I am not naive to think that there won't be some problems, there will be problems, but I think they are manageable problems in the sense we know how we could manage those problems. And for that reason it isn't my presence, I don't start there wanting to do that,

but when I look at the option of having too strong a DNI and too weak a DNI, I have got to come up with a new alternative. And that is all I am trying to put before you.

Mr. McHugh. Thank you very much. Let me go to another point. One of the topics, and my friend from New Jersey, Mr. Saxton, articulated some of the internal concerns of it, in the Commission's report recommendation, take covert paramilitary activities out of CIA and bring them over to Defense. Pay grade, culture, all kinds of challenges there, but I don't know if those are insurmountable.

Would any of you gentlemen like to comment on that specific proposal, because it seems that it is not being talked about a great deal, but at least, in my mind, if you think about it, that is a big move.

Dr. Hamre. Let me just briefly something and then I will turn to my colleagues. I think we need to separate the—there are two things here: Covert operations and paramilitary. They are really quite different.

Mr. McHugh. Right.

Dr. Hamre. We can't go into a lot of the details in this session, of course. I think there is genuine merit in looking carefully at how we do paramilitary operations and the balance between the CIA and DOD. I think there is some real room for some study there. I don't think you want to bring covert operations into the Department of Defense, and so I think that in another session I think we could have a discussion about how some of the more detailed granularity of that might look like.

Mr. McHugh. The other gentlemen.

General Odom. I would agree with what Dr. Hamre says on that. I have always thought that you should use Defense Department assets more than they have been used, but you don't want the Department of Defense running it, and I think that is a subject for a closed hearing. I don't think that is a subject that I could make clear my views on in open hearing.

Mr. McHugh. Thank you.

Dr. Wood.

Dr. Wood. I very much agree with my colleagues that it is a subject that needs to be addressed in a separate circumstance. But the general point that I would suggest applies that we should bring out here the Defense Department, the fundamental motif is, on direction of the Congress and the President, going out and killing people and breaking things. And what the CIA does is of a different character, fundamentally a different one. It is probably a mistake of form, as to say a blunder, to try and merge the two. They really are separate and distinct, fundamentally distinct functions of government, sir.

Mr. McHugh. Thank you all very much.

Mr. Chairman, thank you.

The Chairman. Thank the gentleman.

The gentleman from Texas, Mr. Turner.

Mr. Turner of Texas. Thank you, Mr. Chairman, and I appreciate the excellent testimony we have had from all three of you. And I am struggling, as I think some of my colleagues are, to try to understand the different positions that each of you take.

And I might mention, Dr. Hamre, when Lee Hamilton was before us he acknowledged that he had read your editorial, and he said, "I am not convinced there is a lot of difference between our position on the Commission and what Dr. Hamre is saying in his editorial," and he said he needed to talk to you. I don't know if you have had a chance to visit with him since we had him yesterday. So I am not too clear what the distinctions are.

I did note that you made the point that you did not like to see the analytical function merged because it contributes to this group think problem. And maybe I misunderstand what the 9/11 Commission report said, but my sense was that they created intelligence centers around subject matters to merge the intelligence information and analysis in those centers, and yet I did not note that they took away any of the analytical centers that exist within the cabinet departments, which, as you know, there has been a proliferation of since 9/11. I suspect that from a list I had here earlier today it looked like we may have doubled the number of analytical centers since 9/11 in our effort to try to collect or analyze the intelligence that we have.

So is it your understanding that the analytical functions that are ongoing and now exist within the cabinet departments would be done away with under the 9/11 Commission?

Dr. HAMRE. No. Indeed, they keep them there, but they take the money and they bring the control of them into this DNI. So, in essence, the director of Defense Intelligence inside DOD is not going to work for the Secretary of Defense. I think that is a bad idea. That is my objection. I mean I don't think it is good because money is the lifeblood of bureaucracies, and if the money is going down a separate channel coming from a different person than the Secretary of Defense or the Secretary of State, that is not going to be an independent entity over time.

That is' my reservation about the 9/11 Commission. They leave the body organizationally inside DOD or inside Department of State, but all the funding comes down a different channel. I think that is a formula for chaos and ultimately for a very narrowing and constriction of perspective, and that is why I object to it.

Mr. TURNER OF TEXAS. Contrast for us and maybe we could have a little dialogue here between our panelists, but contrast for us, clarify for us where the distinctions are—and you have done this to some extent—but help us clarify this. What are the distinctions that we should note between the different positions that the three of you have taken on this issue? What are the fundamental contrasts that we should be aware of in making our decision about how this should be structured?

Dr. HAMRE. Again, very briefly, for me, I am advocating that you leave analytic capability inside cabinet secretaries so they all can be participants in the process, that you centralize the factories that provide the raw material to all of those analytic shops under a DNI and let him operate those as a utility function on behalf of the entire government. That is not where the judgment is brought to bear, that is where the raw material is produced, and I think that can be centralized and brought under this DNI in order to give him standing inside the community.

Mr. TURNER OF TEXAS. Do you oppose this concept of having the DNI have analytical centers by subject matter? Do you oppose that concept?

Dr. HAMRE. No, I don't. I actually think there is some promise to it, but the problem is those are still on the supply side of the equation. Those are intelligence centers inside the intelligence community in theory trying to do what? Organize——

Mr. TURNER OF TEXAS. I perceived it is sort of like what goes on in the CIA now with the different reporting groups.

Dr. HAMRE. Right. I think that is right.

Mr. TURNER OF TEXAS. But it has tried to merge a broader range of intelligence.

Dr. HAMRE. I think that is right. I think it is a good idea to bring interagency coordination under the DNI, and I would propose that we do that. So that part of it I do agree with.

Dr. WOOD. There is something that I believe all three of us agree with, and this is the utterly fundamental motif that was sounded by Mr. Spratt a few minutes ago, and that is anytime that you separate money control, administrative authority and the wherewithal that goes with those things, and specifically accountability, anytime the three of those are teased apart, you have generated mischief and the potential for much damage to the American cause. They must be tied together. No matter what label you put on it and what details of the structure are, money, authority and accountability have to be tied together.

General ODOM. Let me emphasize two things that I think might add some clarity here to where we are different in our views. I think you have to sort out what the realities are in budget control. I don't see that the present DCI lacks budget control. He has that control. Until somebody can show me a law that says he doesn't, then I think you are talking about an imaginary problem, and I have had this argument with Lee Hamilton.

People who have not worked inside those agencies and realized that you are dealing with three budgets and what executing a budget is and what building a program is, I think fail to get this distinction. So giving him this budget execution authority will create a mess without giving him any additional real power.

So I am all for that authority. What I have said is the present structure within the community has encouraged him to use it not very effectively. I quite agree, and I am glad that somebody made the point, you made the point, which I have been realizing we need to make, those set of standards could be organized in the CIA today. You don't have to write a new law to create a national intelligence director to allow the DCI to organize those inside the—order the director of CIA to do it if he wants to.

And I am going to say I am a little confused about your point that if you centralize analysis so that it is just one view—we will never get rid of group think; we are going to have a certain amount of it. There is a lot of decentralization. I call it distributive process in the intelligence business. There has to be because users are different.

It has also been my experience that competition among centers don't generate light, they generate heat. The best light on intelligence is the proof that is discovered in combat or diplomatic oper-

ations that show you were wrong. We got real light put on it in Iraq on weapons of mass destruction. That is the light. We could have had 15 different people arguing the different positions and no more light but a great deal of heat would have been generated before the war. I mean we were locked into that position, not just in the intelligence community but the policy community and the public at large. So I don't think you can sit here and come up with a structural solution to that problem. That is essentially a political problem.

There is one other difference that I didn't really expect to have to this degree. Having worked to get some kind of tactical national progress, NSA, and knowing that while it may look like it is going well today, it is probably not going nearly as well as in reality it should, that if you relax the Defense Department's control over NSA, it will drift right back to the business.

I don't want to be awakened on Saturday night and have to go to work. Or if I am not involved, I don't want to come in Monday morning and discover that what I passed on Friday has been ripped out and put someplace else. And I am a Senior Executive (SES) and I will exert my authority to be sure they didn't do that. He doesn't understand or that person doesn't understand that a crisis has come up that is more important. That will grow right back within weeks or months if you don't have a strong responsive hand in the military chain of command.

I think NSA is best understood as a functional, a specified joint command. It has three components, the Army, Navy and Air Force components, service elements. All of them run the field stations in most of the big activities. They can't turn a receiver on without the operational control and direction of the director of NSA. So just like Tommy Franks or the present commander of Central Command (CENTCOM) only had operational control in the Army, Navy and Air Force out there. They couldn't fire a round without his direction. But he doesn't own those three services. There are three service components that own them.

If you understand that system, you are in a very good position to understand what NSA and what I hope NGA is becoming but was not, and that is the reason you never had the synergism in the imagery community which is possible and still I think great gains are to be made there. HUMINT should have the same thing. It is fragmented between the problems that go beyond what I will elaborate here that keep the director of operations of CIA from taking over and responding to military commanders the way they should. And I don't think you will change that very easily. A DCI, separate from the director of CIA, would be in a much better position, a much stronger position to go do that.

I you need bureaucratic balance so the director of National Intelligence or the national intelligence director, or whatever you call him, or my new separate DCI, you can give it to him. I think he needs it. He needs a rather improved resource management structure, and he needs an analytic structure under the National Intelligence Council (NIC), which you could populate from the DI at CIA. And he needs more so that he has a big buildings and he has cars and protocol support and those sorts of things, which I do think he needs. That can be given to him. This is the administra-

tive staff. Then if he wants to exercise authority, he will have to use his budget authority right now.

Let me elaborate that the degree of boring collection management authority the DCI has, and most people don't even appreciate. Let's suppose—well, look back at the real case. At the end of the Cold War, we suddenly did not think we needed the kind of intelligence collection on the Soviet Union or the residual states that we needed in other areas.

Well, what is the mechanism for refocusing? The primary mechanism are the three national collection requirements list. There is a national SECINT's requirements list, a national imagery requirements list, a national HUMINT list. That was created by Mr. Colby back in the 1970's—a very effective system to go around to every cabinet agency, every department in the Department of Defense, subagencies, et cetera, to say, "What are your intelligence needs, not time-sensitive ones, but are you interested in this part of the world, that part of that world? Weapons of mass destruction (WMD) or are you interested in economic issues?"

Those are prioritized by NSA every year. I get that and you. I reallocate my language skills, where I am going to have things built, put in position to deal with those kinds of changes. So to change to the Middle East, you needed a DCI who was not down talking to the President but was looking at his management problem of how he is going to get those lists to shift these resources from where they are today to the Middle East into different language areas, et cetera. I don't think we drawing these charts is going to make that all that more effective. I do think separating the two jobs will leave the DCI with what Stalin called, "the dilemma of one alternative," to manage the community instead of just being the director of CIA.

The CHAIRMAN. Thank you for that fairly fulsome answer, General Odom.

The gentleman from Maryland, Mr. Bartlett.

Mr. BARTLETT. Thank you. Thank you all very much for your testimony. I have a concern, gentlemen, that an unintended consequence of what we do in response to the 9/11 report may very well produce a false security in our country, false sense of security. Let me explain.

I am not at all sure that if we had made all of the recommendations that they proposed before 9/11 that we would have avoided 9/11. Let me just go through the list of things that they said, the dots, that we didn't connect. We lost two terrorists in Bangkok. I wonder how many hundreds or thousands of other potential terrorists we lost track of.

They mentioned that we didn't note that we had some people doing flight training. We also had a whole lot of students studying biology that could have been bioterrorists, a student studying chemistry that could have made chemical weapons, a student studying physics that could have made the energy weapons.

Then false statements on visa applications. I wonder how many tens of thousands of people are floating around our country with false statements on their visa application. There are a whole lot of dots out there. They may be relatively as numerous as the stars in the sky that you would have to connect.

Then they talked about a no-fly list. I wonder how big that no-fly list would be, and the few dots they had in the no-fly list would be just inconsequential in terms of that total list.

Then we hadn't hardened the doors up to the cockpit. Well, we also haven't done anything to protect our water supplies in this country. We haven't done anything to protect our electronics against a nuclear electromagnetic pulse (EMP) or directed energy weapons. We have done darn little to protect ourselves against potential terrorist attacks through the millions of containers that come into our country. We have many trucks come in from Mexico and, what, we look at 1 percent of them or something? I just think there are so darn many dots out there that you would have great difficulty knowing which ones you ought to connect. And, certainly, we didn't connect those dots, but there are so many out there.

Reorganization might help, and I was particularly intrigued by Dr. Wood's suggestion for reorganization, but I think that we need to be honest with the American people. I mentioned this yesterday, I will mention it again. I think that the way we are the terrorists must feel very much like that mosquito at the nudist convention, because there are so many tempting targets out there. We are very vulnerable people, because most of our existence we focused on openness and freedom. And freedom and security are, in a very large sense, a zero sum game. The more you have the one, the less you have of the other.

Now, we need to do two things, I think. That is reorganize so that we don't try to fix what is not broken. And the second thing is to not lure the American people into a false sense of security. Now, I think no matter how good an intelligence system we have, it is going to be essentially impossible to connect all the right dots. Am I wrong?

Dr. WOOD. No, sir. I believe that you are exactly right and you have focused on an exceedingly important point: The terrorists noticed that Americans always like to fight in somebody else's strategic debt. We like to engage our enemies far from our shores, far from our vulnerable and soft points of which there are an enormously large number and they are enormously soft. We simply aren't in a position to fight any sort of war on our own territory.

So they chose to bring us to war on our own territory, and they did devastating damage to us, and they will do it to us again and again and again. We are simply not prepared to fight in the United States. That is where they have chosen to make their fight. They will fight very effectively in spite of what I said earlier—their small numbers, their very limited resources and their intrinsically quite limited ways and means.

And so what we must have in the context of the 9/11 Commission report and more generally in the way of improved intelligence functions is we simply have to have much more information about them, not 10 percent more but 1,000 percent more information than we have now and certainly than we had on September 10, 2001.

We didn't know anything about the attack that was coming in. We didn't know who was involved. We didn't know what the means were. We didn't even have the vague idea that an attack was really honestly coming in September or even in the third quarter of 2001.

We simply didn't have the basic intelligence that is required to be successful in combat.

We knew no names, we knew no vehicles, we knew nothing about them. We had no penetration of their organization—not one single bit, and I mean bit in the sense of a binary bit. We didn't know anything.

And we don't know a great deal more about the attacks that are coming at us at the present time, in spite of three years of run-in and a huge amount of money and effort that has been expended. We have a great deal of data that comes into our national intelligence capabilities, but we have a shockingly small amount of information, and it is that which I said earlier we must have great improved efficiency and vastly greater effectiveness on intelligence.

Mr. BARTLETT. Thank you very much.

Thank you, Mr. Chairman.

The CHAIRMAN. I thank the gentleman.

The gentleman from Tennessee, Mr. Cooper.

Mr. COOPER. Thank you, Mr. Chairman. I would like to talk about a really touchy subject right now, which is ourselves. I think it is a lot easier to talk about reforming someone else than it is to talk about reforming ourselves.

My tenure on this committee has only bee a year and a half, but in the time I have been here I would have to say that our congressional oversight on this committee has failed utterly, because we haven't even brought up the subject. We used to have a subcommittee devoted to oversight. That no longer exists. And in the markups that we have had in the last 2 years, this is one year's worth, there is another year's worth, close to 1,000 pages of transcript, hours and hours and hours of deliberations, I don't think one word was uttered regarding the $40 billion that we are responsible for authorizing regarding intelligence.

If the 9/11 Commission has performed any service, it may be simple act of getting us to do our own jobs, because for whatever reason this committee has sidelined those responsibilities. Now, Dr. Hamre was very polite in his testimony before us today, but the Center for Strategic and International Studies (CSIS), his organization, issued a report earlier that basically said our Committees of Armed Services were doing about the worst job in decades handling their responsibilities. That is a little bit of an exaggeration but it wasn't a favorable grade we received.

I thought Dr. Wood said it right in his testimony, only when the Congress makes major changes in its own ways of doing business does the rest of the government take note. So it is kind of like physician heal thyself.

Well, the 9/11 Commission made the point extremely clearly. Unfortunately, it is way back on Page 419 of the report, but they say, quote, of all of our recommendations, strengthening congressional oversight may be among the most difficult and most important. So long as oversight is governed by current congressional rules and resolutions, we believe the American people will not get the security they want and need.

If that is not a mandate for change, I don't know what is. And if we do nothing else in this coming week, we have got to change

the status quo here, because Congress is not exerting its oversight responsibilities.

So I appreciate you gentlemen's guidance in helping us understand the intelligence community. There are some veterans on this committee who have been here for a long time who are learning the fundamentals of intelligence with your testimony.

The CHAIRMAN. Would the gentleman yield?

Mr. COOPER. I would be delighted to yield.

The CHAIRMAN. Yes. Let me inform the gentleman that we used to—in our markups, we used to have a closed session when we did discuss the intelligence piece that we do. The Democrat side objected to that strenuously, and as a result of that, in order to have open markups, we eliminated that discussion. So that is why the gentleman has a markup that doesn't have a discussion of the classified portions.

The other point that the gentleman made, that we have this certain amount of money that we oversee, is just totally erroneous. It is not overseen by us. The pieces that are overseen by us are embedded in a number of platforms that we use, that we mark up, some of which are fairly open, obviously, things like Predator and Global Hawk that are embedded in the relevant subcommittees. And the gentleman, if he is on those subcommittees, has plenty of time to debate them, ask questions about them, get the packages that attend to each of those.

But I would just tell the gentleman that we used to have a classified discussion. The Democrat membership objected to that classified discussion in the markup so we eliminated it under, I believe, Chairman Stump.

Mr. COOPER. If the chairman will forgive me, I was not present on the committee at that time. I am not interested in finger pointing here. I just think Congress, as a whole, both parties——

The CHAIRMAN. But I think it is important—I would just tell the gentleman it is important to keep, to have the record clear, and that is why we eliminated it because members objected to it. We did have that discussion. The other aspect is we don't have that big piece of—and I believe the number is classified—but we don't oversee National Foreign Intelligence Board (NFIB); the Intel Committee does.

Mr. SPRATT. Could I make just one statement, Mr. Chairman?

The CHAIRMAN. Sure, go ahead.

Mr. SPRATT. I really think the question before us, though, the main thing we did even when we had some classified discussion was pretty cursory. We basically delegated——

The CHAIRMAN. It became a lot more cursory after the objections because it went to zero.

Mr. SPRATT. We have deferred this responsibility to the Intelligence Committee, and the question before us now, the central question before us now is what sort of specific committee would that particular responsibility do we constitute in order to take on this greater responsibility? I don't think it is going to remain with us. It could in some residual or secondary capacity, but the primary function's got to go to some sort of intelligence committee. There is no other responsibility but intelligence. The question is whether it is a joint committee, how it is constituted, who sits on it, what

its charter is, whether or not it has authorization and appropriation authority, all of these things. It is not about the functions of this particular committee.

The CHAIRMAN. Well, let me just remind my colleague that the small piece that we have here, which involves platforms that we actually have a fairly vigorous debate on, and we have an overlap with the Intel Committee on that, and when we have a difference of opinion, which the gentleman can see in our last several markups we have had on several platforms, we engage and we try to get this thing worked. In the end, we get a bill to the floor, which we have had over the last several markups, that has been consistent with what we think is good and also what the Intel Committee thinks is good.

So we have had a fairly good working relationship with them. But we don't oversee—I mean let's make this very clear: We do not oversee operations, and this huge chunk of money that the gentleman from Tennessee talked about is not our jurisdiction, nor should it be in our jurisdiction.

Mr. COOPER. Mr. Chairman, perhaps this is part of the problem. I think the 9/11 Commission reports that some 85 percent—85 percent—of intelligence spending in America comes through the DOD.

The CHAIRMAN. The gentleman is once again mistaken because while it comes through DOD, that is overseen by the Intel Committee, and that is the rule that has been in place for a long period of time. There are some aspects of that program which overlap, and we have a piece of—we have platforms which are utilized, obviously, from which intelligence is extracted, that we in fact do authorize. We authorize those in conjunction with the Intelligence Committee.

Mr. WILSON OF SOUTH CAROLINA. Mr. Chairman, would you yield for a moment on that point?

The CHAIRMAN. Sure.

Mr. WILSON OF SOUTH CAROLINA. I think it is important to make those statements from this committee, because I read the same comment Mr. Cooper read in the report, and I don't know where the Commission gets those numbers because having formerly served on the Intelligence Committee and now here, I think that is incorrect, and it may be something that needs to be corrected for the record with respect to where the money comes from. And it is probably not something we can discuss here, but I have heard it discussed publicly, and I think all of us need to be able to say in our experience that that statement, that 85 percent of the budget for intelligence is run through the Defense Department, is incorrect.

Mr. COOPER. Well, I am very interested in getting at the truth. As I said, I am a relatively new member of this committee. I think it is interesting that we are having to have a clarifying debate on a subject of this importance to the nation. Regardless of the history, let's fix it for the future because we need to make sure that our Nation is safer.

The CHAIRMAN. Well, let me just engage with you on that point, Mr. Cooper. I think it is good to have a classified portion of the markup, and I think we should go back to the way we did it, but you can't have it both ways. You can't, in the interest of openness,

eliminate the debate on the closed items and then complain that we are not including the closed agenda. So we will do what the committee wants to do, but I think we should go back to it. I think it would be healthy for us.

Mr. COOPER. Mr. Chairman, I have never objected to us going into classified session, in a markup or otherwise, and in fact a few moments ago I asked you if we could continue this session in a classified format because we have some remarkable witnesses. A number of questions have been raised that we could pursue better in a classified context. I asked your permission to enter classified session immediately following this open session. I am not opposed to you. We are all in this together trying to help the nation.

So there are a lot of—when the 9/11 Commission, which is highly regarded, and 10 very serious experts think that 85 percent of the budget goes through DOD, and this is the DOD committee and we are somewhat confused about that, that is an amazing circumstance. So let's clarify the congressional lines of authority, let's have real oversight again, because as CSIS pointed out in their report, which is pretty comprehensive, we are at an all-time low point in modern Congresses for overseeing our Nation's military. We can and will do better, and this is a good starting point for that.

The CHAIRMAN. Okay. Mr. Cooper, let me just say without embarrassing any other members who were the ones who objected to having closed sessions in our markups, I will give you their names, they are on the Democrat side, and if you can convince them that that is a good thing to do, I would love to talk to them, and I think it would be good to have a closed markup.

Mr. COOPER. Mr. Chairman——

The CHAIRMAN. Let me continue my point. I think that is an important thing to do. But, once again, the operational side of intelligence is not within our jurisdiction nor are the agencies that the gentleman has mentioned, even though they are within DOD, are in our jurisdiction in this body. So we are going to have to change the rules of the House to do that. So if the gentleman is interested in working on that, fine, but what this committee works on and what we mark up are the items that are within our jurisdiction.

Mr. COOPER. Mr. Chairman, I look forward to working with you on that. I think most members of the committee would be interested to know that a small group has veto power over overall committee deliberations. Usually when you have wanted to pass something you have done it very effectively by a majority vote. I would look forward to that happening again, because the power of majority if the power we all respect. So let's be fair about this. We are all patriotic Americans, we all want to fix this problem, so let's get about fixing it.

The CHAIRMAN. I agree with the gentleman. Let's do it, and if the gentleman can bring some of the people who did object very strenuously with great principle about having closed markups, we will be happy to do it. But I agree with the gentleman, we need to get back on track.

And, incidentally, I think the gentleman's recommendation that if our guests can stay for a bit after we get finished with our open session, as long as we have got you here and our members are

going to be going back to their districts, we need to do a fast closed session and maybe we could walk an issue or two with respect to one of the other recommendations, especially with respect to moving some operations from CIA to standing forces. That would be beneficial. Can you hang around for a bit when we get done? Okay. I appreciate that and appreciate the gentleman's comment.

The gentleman from Virginia, Mr. Forbes.

Mr. FORBES. Thank you, Mr. Chairman, and thank you for your leadership on this issue.

And, gentlemen, thank you for all being here today.

Mr. Hamre, you mentioned in your article in the Washington Post on August 9 that an issue that we had to resolve is how do we do both; that is organizationally integrate and I think you equated that to connecting the dots earlier, the intelligence agency, while also fostering competition between them, i.e. doing away with group think. This is a quandary that we have got to resolve if we hope to fix the problem.

Do you think there are any or also some non-organizational changes that need to be made in order to improve the intelligence collection and analysis? And what else can be done to foster competition, ingenuity and to preclude bureaucratic group think other than organizational things.

Dr. HAMRE. Well, sir, I would need to think a little bit more and maybe engage with you privately to get a better feel for your concerns here. And I would like to use this as an opportunity to address what General Odom said. The importance is not that you get competition in the intelligence community, it is the importance you get competition in the policy community. I mean I think when we make mistakes it is when the policy leaders get too focused too centrally, too narrowly around an agenda.

We can get a lot of diversity in the intelligence world. It is really the policy world. But if the policy leaders don't have access to their own analytic underpinnings to help them form their judgment, that is when we get in trouble. So that is why I am interested in making sure that the Secretary of State, the Secretary of Treasury, the Secretary of Defense, the CIA director have analytic underpinnings for them. And so in that sense, it is structural.

I think there are some procedural things we could do. I think that the NIC is a institution that is probably underutilized in order to try to develop diversity of perspective but commonality of purpose. I would like to see almost a bicameral system in the NIC so that it is not just the suppliers of intelligence that get together but there is a second house, the demand side, almost like an institutionalized Team B that looks at every problem. I think would be potentially a constructive thing to do.

I agree very strongly with the oversight. I would like to see some streamlined oversight up here. I think you do a lot just with your own interests, the way you interact with the intelligence community. So I think there are things that could be done, but, sir, why don't I get on your calendar and find a time when I can work with you, because you obviously have strong interests and good insights to it.

Mr. FORBES. Good. Thank you.

And, General, could you just please illuminate further on your contention that the greatest positive near-term impact on dealing with terrorists would come from removing the responsibility for domestic counterintelligence from the Federal Bureau of Investigation (FBI) and specifically a question, I guess, would it be possible to continue to leave domestic counterintelligence within the FBI if we took away the arrest and apprehend functions of domestic counterintelligence agents?

General ODOM. Well, let me answer the last part first. I don't see how you could do that. They are surrounded by and their promotions and everything else will be controlled by law enforcement officers. So the idea that you can have a genuine intelligence organization that acts like one inside a law enforcement agency strikes me as not very promising.

Now, let me elaborate on why that is true. Law enforcement officers are users of intelligence. They don't want to give it away. Any of you that have had any local experience with fire departments and police departments, they won't share information. If they get information about criminal activities, they want to make an arrest and get a press conference. They want to get the credit for it. So if you have arrest authority and you are helping the prosecution, then your whole view of what success is and your incentive for behavior are radically different than those of a counterintelligence officer.

Counterintelligence officer doesn't want any public attention. He wants to be anonymous, he wants to be highly aware of what hostile intelligence services, and that overlaps very much what terrorists are doing. He wants to be very quiet about it. And then he wants to be able to take this information and give it to somebody at a critical time so they can act on it.

Counterintelligence can't be responsible for security. Secretaries of Defense and military commanders, homeland security secretaries and the heads of their agencies are the ones that are responsible for security. They use the counterintelligence. You can't do anything with it if you want to get rewards except give it to users if you are a counterintelligence organization only.

So that is my argument of why the incentive structure for a counterintelligence agency has to be apart from these distracting incentive structures. I have used the sports metaphor. To ask the Washington Redskins to play in American Baseball League would not be a wise thing to do if you expected them to win or vice verse, to ask the Orioles up here to play in the National Football League would not make much sense.

And it seems to me that is the predicament we are in, and if you look back historical, all the way from World War II on, the FBI, even under J. Edgar Hoover, has absolute miserable records where learning from the documents that have come out. Yale Press published two books on this, three books now, and it shows how they were utterly feckless against the NKBD and then later the KGB. And that is why I think you have to move that organization.

People object that the American public won't put up with a domestic spy agency. They have one. It is called the Federal Bureau of Investigations, and its record of effectiveness is not good, and sometimes it has been known to abuse rights. I am very interested

in my rights against any domestic spying efforts, and therefore when I make the recommendations it is not without a certain trepidation.

And I have thought a little bit about, more than a little bit about, oversight for such an organization. I really think it has to have very strong congressional oversight. I would hesitate to make this proposal now that I have learned that there are so many committees, so much overlapping oversight, but it seems to me that the Judiciary Committee really ought to have some window into an agency like that, and I am not sure I wouldn't have some sort of outside organization within the Judiciary or something that could investigate. But I think that can be solved. If we can live with the FBI, I don't see why we couldn't have effective oversight over that kind of agency.

So that is the main reason. And it is not—people use the MI5 solution. Well, there are some similarities to the MI5. The MI5 does not have coordinating authority over the military services or Directorate of Military Intelligence, Section 6 (MI6) in the British system. I think they should have it. Another thing a little different for me is that this organization would be under a director of Central Intelligence or a national intelligence director, whatever you wan to call this person, coordinate to the CIA. And MI5 is not under such a roof, and that is another reason you can't really make this proposal unless you split the Imagery Analysis (IA) director from the DCI and make that separation.

That is why I said earlier I think breaking those two positions allows you to do several very sensible things for which there is kind of a general evolutionary direction and it is now time to take this juncture, it seems to me, to make some of those possible. So that is why—let me say a final thing on that.

There is a huge overlap between counterintelligence and counterterrorism. It is not a perfect overlap because terrorists are trigger pullers. Spies are not trigger pullers. But how they operate inside the U.S. is very analogous to clandestine operations of foreign intelligence services. And so that is why I think the effectiveness of that part of our government is more critical right now than the foreign part.

Oh, yes, one other point I would make: In the embassies abroad, we have proliferated a number of so-called attache offices, which are really counterintelligence operating staffs, just like the chief of station has a clandestine service operation abroad. We don't need two out there. It is difficult to keep those operations coordinated in one operation. And you have that problem with defense units, and I don't know how that has been solved. So I think you would reduce the problems in coordinating it overseas as well, and the FBI insists on playing a much, much larger role abroad, even though it is shorthanded with agents domestically.

Dr. WOOD. Mr. Chairman, I would like to very briefly comment that General Odom's basic points should be considered extremely carefully by the committee. The effectiveness of domestic counterintelligence is staggeringly low. In our classified session, I will quote you specific numbers on this, but I will just comment on the record in public that the Aldridge Ames case is the only one in modern times which was broken by classic gumshoe techniques. In

every other one that you have seen in public and the American is aware of in modern times we simply purchased the identity of the bad actors with money.

Mr. BARTLETT [presiding]. Thank you very much.

Mr. Marshall.

Mr. MARSHALL. Thank you, Mr. Chairman. I think I should, for the record, that when Mr. Cooper began his remarks about our oversight he did say that it was a sensitive subject, and I think the result of those remarks proved the wisdom of his first observation.

The 9/11 Commission, in chapter 11, identifies 4 kinds of failures, and the first failure that it discusses is imagination, and it talks about trying to institutionalize imagination. It notes that imagination is not a gift usually associated with bureaucracies and then comes pretty close to coining the oxymoron of an imaginative bureaucracy. And that is what the 9/11 Commission thinks we should be seeking.

That rang true to me, someone who is very inexperienced in this area, because I have read Richard Clark's book and a number of his editorials and seen him testify. I have also read "Imperial Hubris" by anonymous. And then I have seen recently, and I apologize for not being able to dredge up the names, but I have seen two other op eds written by folks who have been in the intelligence community, left the intelligence community somewhat in disgust that the bureaucracy encourages careerism, group think is a term that has been used, CYAing, those sorts of things, obviously, something that we don't want.

Now, unfortunately, General Odom, I have not read your book. I will observe, though, that you were kind enough to include a glossary in your book, and, frankly, I think C-SPAN would be doing all of us a favor, at least those viewing, if when you are speaking they could pop up a little glossary to explain the terms.

I am amused that the term, DNI, is defined here as the director of Naval Intelligence, so I guess the director of Naval Intelligence is pretty impressed at all the authority that the DNI is about to receive.

I have it in your book—I haven't read the book, so I don't know whether in your book you discuss this same phenomena, whether you agree, and all of you have experience with this, whether you agree with the observation of the Commission in what appears to me to be the observation of Mr. Clark and anonymous and these others whose op eds I have written that we really suffer from an intelligence institutional problem of lack of imagination and if so, then how do we fix that problem by adjusting the bureaucracy or otherwise?

Dr. WOOD. You simply aren't going to succeed, sir. It is oxymoronic to expect imagination in a bureaucracy. Bureaucracies intrinsically, actively quench imagination. It isn't going to happen. To pretend it is is a disservice to the republic because it is substituting illusion for reality. Again, I say the way that you get by with a minimal level of imagination that a bureaucracy can muster is to provide it with more and better information. There is no substitute in the intelligence field for high-quality information in plentiful quantity.

Mr. MARSHALL. Let me go a little bit further. I have very little experience in this area but a fair amount of experience where the law is concerned, and large law firms have got bevies of folks working in the trenches that rarely see the light of day. They are stuck in the library cranking out memos. The law firm recognizes that that is a mind numbing responsibility and yet creativity is critically important to the success of the firm.

And so the law firm injects structures into the system that tend to maximize the likelihood that the information received by the partner o the associate that is going to take some action on behalf of the client is information that takes into account both sides of the argument. It is information that at least has gone through a process which maximizes the likelihood that creative, thoughtful analysis identifying all the issues and likely arguments on both sides or all sides has been developed.

It seems to me that we ought to have the same kind of thing going on in the intelligence community, and I have heard your response, Dr. Wood. I would be very interested in hearing responses from General Odom and Mr. Hamre.

General ODOM. Let me say that bureaucracy always has the tendency that Dr. Wood described, and good political leaders and military commanders who use intelligence are aware of that. And the stimulation from the user is terribly important in overcoming group think. But I also agree that you can do things like you described in the law firm and there are examples in the intelligence community outside scholars and think tanks who are asked to write parallel national intelligence estimates (NIE) on purely unclassified information for a while, and they were compared with the inside analyses. And I happened to be involved with one of the outsides and it created quite a stir on the inside, and we took completely different ideas and ended up sort of collapsing their own NIE. That was practices quite a while with the National Intelligence Council.

I point out in my book on imagination and the use of technologies you have to have a system, the DCI or NDI, whatever we want to call him, has to have a system where the organizations when they resist technological change, which they will, he has to have some way to go out and create a stop work. But I think you ought to put a sunset law on it so that it doesn't become the same kind of deadening bureaucracy you set out to counter.

So, yes, you have to build those in. I don't think any of them are going to last very long. One proposal I put in my book is that I think every five to six years the head of the intelligence community ought to be forced to go through a restructuring analysis. I say in the book that what major high-tech organization business has gone for 30 or 40 years without major restructuring? The intelligence community has finished a huge in-flow of technology, probably as much or more than any high-tech organization like IBM or AT&T, et cetera, and it hasn't had anything like the restructuring to accommodate this.

The CHAIRMAN [presiding]. I thank the gentleman.

Dr. Hamre, I know you have got a response also?

Dr. HAMRE. Very briefly.

Mr. Marshall, you have asked a very good question. The community tries to do that. They try to go out and get sources, just as General Odom described. I think we could do a lot more of that. I think open source intelligence work is a good thing. I think we should encourage more of it, and I think that your interest in that would make a big difference.

The CHAIRMAN. I thank the gentleman.

And, Jim, I would like to do more—have a more extensive answer there. We have got about 15 members that haven't asked questions yet, so let's—I want to admonish my panel if we could, we need to have five minutes included in question and answer. So I know this is a complex thing and we like the thoroughness of the discussion, I know it is tough to do, but we have got about another 15 folks that need to ask their questions.

And the gentleman from Virginia, Mr.—no, the gentleman from Virginia has already spoken.

The gentleman from Florida, Mr. Miller.

Mr. MILLER OF FLORIDA. Thank you, Mr. Chairman, and in light of the time and the fact that we are going to go into a closed session, I have some questions that I want to ask and they will in fact be in that closed session. I do have some concerns that we can discuss then, but I do want to add that to my good friend, Mr. Marshall, I have a reading list that I would provide for you that is of non-fiction books if you would like it and would be glad to give you some more information. And with that, I yield back.

The CHAIRMAN. Okay. The gentleman from Rhode Island, Mr. Langevin.

Mr. LANGEVIN. Thank you, Mr. Chairman, and, gentlemen, thank you so much for your testimony today. This is incredibly helpful. If I could, I just wanted to turn our attention for a moment getting back to creativity and in particular competitive analysis. The 9/11 Commission report basically calls for the creation of these national intelligence centers as the best way to ensure competitive analysis.

And I was having a discussion with Joe Nye, former dean of the Kennedy School and former Deputy Secretary of Defense for International Affairs, and one of the suggestions that he strongly advocates is rather than creating these centers is to look to the model of the National Intelligence Council, which already exists, taking it out from under the DCI and putting it under the new DNI and building on that model as opposed to this creation of various centers.

One of the things that he was concerned about, and I share his concern, is that you may not have enough overlap. If you create boxes in which much of this analysis is going to be done, that you are not going to have enough competitive analysis, in a sense. So what are your thoughts on that.

General ODOM. Did you say taking it out of the—taking the DNI out?

Mr. LANGEVIN. No, moving the National Intelligence Council out from CIA, basically, and putting it directly under DNI.

General ODOM. Well, right now it sits out there, but it is formally and technically not in CIA.

Mr. LANGEVIN. Okay. But putting it more directly under the DNI.

General ODOM. If you took it out, as I make a proposal in my book, I would take the DI at CIA with it, but the problem with the DI it tries to do everything, and it can't do everything. What is important is that certain things be allocated to different parts of the intelligence community for analysis. Lots of databases in analysis for Defense, the military services, the force field, couldn't possibly be handled by DI or the CIA, although analysts there actually think they are doing that, but nobody asked them for the information to put it in use. It has to be got elsewhere.

I think one of the things that NIC needs to do is to be responsible for what is going on in all these analytic centers to see if they have enough resources and to see that the databases and analysis is being done. Then they at the national level should not try to do all the analysis, they should pick places where they are gaps, issues that are coming up nobody else will see or they don't want to deal with, throw some resources on it, discover whether it is a real issue and say, "INR, State, you really ought to have this." And they look at it and see it is an exciting area, and they take it over and they give it to DIA.

This puts them in the position of encouraging the kind of open willingness to think about new things, not intramural struggles to see who gets it right all the time, and I think there is a kind of competition that is good, there is a kind of competition that lowers the level among these, and I think where the DI sits right now and the failure of the NIC to be pulled up out of that atmosphere is one of the problems. That is why I want to break it into two jobs.

Mr. LANGEVIN. Gentlemen?

Dr. WOOD. I think it is a good idea. I would support it. I think bringing in the NIC and building a bigger NIC around the DNI or the national intelligence director (NID) is a good idea. I think that is not a bad place to start. Mr. Miller was right in what he described but you could build on what you just described.

Mr. LANGEVIN. Thank you, gentlemen. I will leave it there since I know the time is short.

The CHAIRMAN. I thank the gentleman.

And the gentleman from Minnesota, Mr. Kline.

Mr. KLINE. Thank you, Mr. Chairman. In the lingering but fading hope that we will get to a classified session, I will yield my time.

The CHAIRMAN. I thank the gentleman.

Let me see, anybody else on the—oh, Mr. Rodriguez. Gentleman from Texas, Mr. Rodriguez, you haven't had a chance to ask a question.

Mr. RODRIGUEZ. Thank you, Mr. Chairman. Let me ask you, I think—and I don't know whether it would be good in the open session or closed session, but as I was hearing you, I know you mentioned other recommendations that are not in the 9/11 and there are a lot of items administratively that could be done now also. All three of you have made some suggestions—the restructuring analysis, the outside source utilization.

Regarding the FBI dealing with local and then CIA internationally, as we look at terrorism, is there a need for us to look at something completely different, maybe just zeroing in? Because I really see it and I don't know too much about this but I kind of look at

them as gangs that are out there very similar to the drug war that we have not been able to win and they are isolated throughout the world and we don't have the flexibility to send even the special ops to go from one side of the world to the other after them, and we don't seem to have that group that is out checking those individual gangs that exist out there.

Is there a team that could be developed just to specify or look at that or what kind of recommendations would you have to look at terrorism and go after them, because I don't think we are going to win with—because I think we are real good at winning a theater war. We have not been good at doing this, just like we have not been good on the fight of drugs for a variety of reasons. And I think some of the same reasons apply to terrorism in terms of the money source, in terms of the ideology and the reasons why they do what they do.

So I was wondering to get some feedback whether we need a different team to do that approach, and I would ask all three.

Dr. WOOD. Your question conveys a number of very insightful points. The ideology of the drug folks of course is money. It is somewhat different in the case of the terrorists but there are a large number of fundamental similarities between the two, and we need to become more effective in both types of conflict, and we need not necessarily new teams as far as membership but we need teams that are constituted and operated very differently than the teams that have been doing business for the Nation to the present time, because they have not been strikingly effective.

And in particular, we need to get much greater penetration of the folks, the operations that we are up against, because we can have all the analytic operations in the world in the United States analyzing grossly imperfect noise-rich data streams and their efforts will come to naught. We need, and I emphasize this again at the risk of tediousness, we need much higher quality of information. We need penetration of the other guy's operations if we are to succeed, and that is true both with respect to the war against drugs, the war against global terror.

Mr. RODRIGUEZ. General.

General ODOM. I don't have a lot to add to that other than to say I think within the present structure or the one I propose, you could task, organize to go after the specific problems like that.

Mr. RODRIGUEZ. Even in the same group operating in the United States and outside and being able to follow up in those areas?

General ODOM. You would be much enhanced in your ability to track the intelligence side if you had a national counterintelligence service than you are now.

Dr. HAMRE. Sir, I think there is a big issue you just described, because the bad guys will walk across our border but we don't move our government very effectively across our own border, and that is a big problem. Finding a way to deal with it. I think the 9/11 Commission tried to deal with that when they talk about one of the centers involving transnational criminality and the interface with terrorism. We ought to really follow up on that idea. That is a good thing to explore, and it could be very fruitful to pursue that.

Mr. RODRIGUEZ. Thank you.

The CHAIRMAN. Yes. And on that point, that was one of the reasons for having a director of intelligence was so you could make a seamless track, if you will, of bad guys. And the Commission when they testified to us talked about the people that they lost in Bangkok. They had to look at them for a while, then lost them in Bangkok, and then they talked about the Moussaoui being looked at by the FBI, attempted to hand off to the CIA, they thought it wasn't their realm, and so it is this fragment, if you will, or fragmented look at the basket that you get with the disparate agencies that would somehow be healed with a single agency. Do you agree with that notion?

Dr. WOOD. That is it exactly. We not only have problems with respect to handoff from foreign to domestic intelligence agencies that are exploited by the bad guys, but some of our very most powerful technical means for penetrating bad guy operations are forbidden by law to operate domestically. And the gruesome thing about this, Mr. Chairman, and we can go into this in vivid detail in the classified session, there are many, many instances of where the bad guys deliberately exploit that feature of American law to make sure that their operations have enough American content so that we are forbidden by our own laws to use our own defensive means to defeat those operations.

The CHAIRMAN. I thank the gentleman.

The gentleman from Oklahoma, Mr. Cole.

Dr. WOOD. Mr. Chairman, do you mind if we just step out and go to the bathroom, not all at once, but——

The CHAIRMAN. Oh, absolutely. No. In fact, I will tell you what——

Dr. WOOD. This is a hell of a long hearing you are holding here.

The CHAIRMAN. We are taking a break right now. We will resume in 10 or 15 minutes, then we will walk up to the classified room. My apologies.

Dr. WOOD. You are going to save a real mess under here.

The CHAIRMAN. We will come back here. We will finish off the last couple questioners, then we will go up to our classified area. Incidentally, for members of the committee, we have got the obligatory sandwiches are waiting in the ante room—and for our guests. That is right, Rocky.

[Recess.]

The CHAIRMAN. Okay. Folks, we will fire back up again. And once again to our guests, we appreciate you bearing with us here, but it has been good to have this discussion. We have had a great, great discussion about a pretty complex issue here.

The gentleman from Oklahoma, Mr. Cole, is recognized.

Mr. COLE. Thank you, Mr. Chairman. I want to begin by complimenting the panel, because I have to tell you, in my brief time here I have never seen anybody demand and get a bathroom break. So I was enormously impressed at your assertiveness and your willingness to be independent.

I would like to pull back and pursue something I discussed the same line of questioning with a different group and see what you all think. Because, again, as I read the 9/11 Commission report, I find the interesting parts not just this box of intelligence or that line or this relationship, but the total failure of the American pub-

lic and the American political class, and I mean that in a very bipartisan, and just to grasp the nature of the danger during the course of the 1990's. We have a whole series of incidents and attacks, people's lives were lost. It wasn't like this came totally out of the blue. We had a terrorist declaring war against us in 1998. And yet I look back, I don't see any Churchill in the 1990's on either side of the political aisle warning that this is coming.

I think one of the big problems that you have as intelligence professionals or as people who have a background in this is, one, even if you have the right information, how do you convince the political elite? And then, honestly, how does it convince the American public? I did listen to Mr. Clark's testimony, Dr. Clark's testimony very carefully and have read some of the things he is written, and it strikes me as he is totally unrealistic about the process of employing force. I don't care what he thought he had found.

I mean he hadn't in eight years convinced anybody to deploy American military force boots-on-the-ground fashion in Afghanistan. He certainly wasn't going to do it in eight months with Bush, and Bush wasn't going to turn around and do it to the country after winning an election with half a million votes fewer than his opponent.

I mean there really is—you have to develop a consensus to sustain a conflict like I think we are in and like I think the 9/11 people point out. It is not going to be a year or two, it is going to be a generation or two generations. It is going to take a long time like the old Soviet Union did.

So given that, what are some of the strategies and things that we can do to educate the political elite in this country about the breadth of the danger and the American people so that they understand the commitment that they are going to have to make long term?

General ODOM. I am glad you raised the issue of the political side—the user side and the intelligence side. The big emphasis on fixing the intelligence community as the solution to or as a way to prevent a future 9/11 strikes me as quite wrong here. I mean certainly you need to do some things about community, but toward your question, it seems to me to highlight brilliantly is that——

The CHAIRMAN. General Odom, could you pull that mike a little closer there? Okay. Pull it a little bit closer. There you go.

General ODOM. Is that good?

The CHAIRMAN. That is good.

General ODOM. Okay. It seems to me your question has highlighted precisely what needs to be highlighted, and that is this is not just an intelligence failure problem, it is a user-political leadership problem and a military command problem, and that has been my experience in the intelligence community. Every time we had an intelligence failure, yes, you could say, sure, we were inadequate in some ways, but it was the intelligence policy interaction failure that really explained what was going on. And I have been haunted by the very points that you made.

It is easy now to look back and say that the Clinton administration should have done more or the Bush administration should have started earlier, but I don't know how you would have generated consensus.

I remember my four plus years in the National Security Council as Burzynski's military assistant and we could see in the intelligence side that some things would drive us to do X but politically that just wasn't going to wash in that climate, and it took some catalyzing event. Well, Afghanistan was one, for example, and the fall of the Shaw was another. So I am afraid that I conclude that these periodic disasters are the price you have to pay to get the corrective feedback to folks on the problems.

I would just say right now, going forward, I am really disturbed about confusing the war in Iraq with the terrorism problem. We may have merged them. We had a huge international coalition behind us until that. And how you go back and get that for this bigger war on terrorism seems to me cries out for some solution, but that is all can offer on that.

Dr. WOOD. Sir, the basic point is that the American republic is and always has been and I hope always will be vulnerable to Pearl Harbors. We don't overreact as a Nation or as a government to illusory threats, and that is an enormous strength of the American system. The downside of that is that when we are taken by surprise by treachery in particular, as at Pearl Harbor or in the 9/11 attacks, we will bleed, and we will continue to bleed thereafter until we get our act together and do what we have to do to win. And we traditionally take advantage of our geographic isolation, our enormous natural resources and our strengths as a people to come back and win and win pretty crisply, but we will always be vulnerable to surprise and treachery, at least I hope we will.

And the thing that we have to understand that we mustn't do is the warning of the second Rumsfeld Commission when they said we have been given notice but we have not noticed. When we are given notice by something like the 9/11 attack, we must be on notice and we must act accordingly.

Dr. HAMRE. Mr. Cole, I will just say what you are doing today, what I know you have been doing all year, has been what we need to have for this country—bring people's attention——

The CHAIRMAN. Pull that thing up a little closer to you there, John, I am sorry.

Dr. HAMRE. Thank you, sir, I am sorry. What you, Mr. Cole, you, Mr. Chairman, and this committee are doing this is exactly what we need to do in this country. We need to hold hearings. Millions of people are going to be watching this on C-SPAN and the follow-up clip. That is how we educate the American public. Your personal leadership back home with the intellectual elites and the media elites in your community, we all have an obligation to talk to them, and I think if you do that, and I know you are doing that, that is going to be the strongest thing we can do to bring the country around to realize we face peril and we have got to be ready for it. So I thank you for doing it, thank you for leading here.

Mr. COLE. I think Secretary Hamre is exactly right on that point, and I will just comment that in the classified session we will go into how much notice we had and how detailed the notice was on exactly what would happen on 9/11. There was lots of notice that that was coming, but it was part of a total package, the threats that we kind of didn't pay too much attention to. We kind of thought, well, we grabbed the guy that issued these threats and

planned these attacks and we had him in our cell for the rest of his life and this, that or whatever, and so why worry too much about it? It turned out that other people picked up his architecture for attack and executed his plans just exactly as or almost precisely as he laid them out. But, yes, we had lots of notice, we just ignored it.

The CHAIRMAN. I thank the gentleman.

The gentleman from Texas, Mr. Reyes.

Mr. REYES. Thank you, Mr. Chairman, and, gentlemen, thank you for being here and sharing your expertise.

I am struck by your observations, especially your statement, Dr. Hamre, that this is part of the education process for the American people. Because as I was coming here a couple of days ago, I came through the Dulles Airport. This was the book that most everybody was reading, and in fact I had one of the employees of American Airlines ask me if I could get her a book because they couldn't keep them in the stores there at the airport.

And I also wanted to apologize to you because I was at the Intelligence hearing that was going on simultaneously, but today my friend and colleague from Minnesota tells me that he was at a meeting with about 100 bankers and he asked the question, how many of you have read this book, the 9/11 book, and none of them had.

It seems to me like there is a part of the country that really hasn't focused on the threat that we are facing today, and that really brings me to the question that I would like each one of you to comment on, and that is in the hearing upstairs a couple hours ago, Former Speaker Newt Gingrich made the observation that we want to be careful that we are not focusing on the case du jour, which is 9/11, although as important as it is for our country, and that we are not fighting the last war, that we are preparing for the challenges and the war or wars of the future. And he meant that in the context of the threat represented by China, by Iran, by Syria, North Korea, among others.

So I would ask each one of you, if you would, to comment on that observation that we want to make sure that we are not exclusively changing our whole system and threat appreciation level to prepare for one particular challenge while ignoring the others. One of the things that we know of today is that in China we have got almost 300 million people that are learning to speak English. Former Speaker Gingrich made the observation that, conversely, we have got, I think he said, less than 2 percent that speak Chinese of our population here.

So could you, each one of you, please comment on that? And, again, I appreciate your testimony here today.

Dr. HAMRE. I think he is exactly right that we can't structure our intelligence services strictly around just one problem, and I think we need to strike a balance between this problem and the other problems we have in the community. And I have tried to offer a suggestion on how it might be. There might be other plans to do that. I think that is right, Mr. Reyes, and it is your responsibility to make sure that these other threats we face are integrated into our ultimate plan so that it isn't just organized too narrowly around the connect-the-dots.

General ODOM. I would second that and make one additional point. I am impressed with the virtue of the 9/11 report that Mr. Cole raised. If you read that report and you reflect on it, it does give you a detachment where you do see this political problem. My objections are over in the details of the proposal, not in the report. I think the report has made a major contribution, and political leaders, I think, can use it for that purpose if they think great faith in the American public will understand that. That is, just say, just one more reason why I think looking forward is a critical thing to do.

Dr. WOOD. It is indeed crucial to look forward as well as to look to our current problems, and it is absolutely essential that we prepare for the huge challenges in time to come that can threaten our existence as a Nation as well as the problems of the present time that are frankly very substantial but are non-threatening to the existence or the continuity of the American nation.

Losing 3,000 people in an hour is an enormous tragedy but it is not a catastrophe or a cataclysm on the scale of an all-out nuclear exchange or even a small-scale nuclear exchange or even one nuclear bomb going of in one city. Those are the sort of things that the Committee on Armed Services would be very well advised to resolutely focus on and remain focused on into the foreseeable future.

The type of structure a Joint Committee on Intelligence that I have advocated here earlier today is specifically aimed at addressing resolutely and very vigorously the current challenges and problems. It would be a warfighting committee aimed at winning the current war on global terror, which is, as I said, fought on intelligence battlefields, not on conventional battlefields. If it is done extremely well, as was pointed out in the earlier colloquy, it would also probably serve us very effectively in the war against illicit drugs, which is also fought on primarily intelligence battlefields—different ideology but basically similar in many other respects.

So these are two different scales of problems. They are problems that have two different time frames within which they are concerned. They also are very, very different in the degree to which they threaten the integrity and the survival of the American nation.

Mr. RODRIGUEZ. Thank you.

I see that I am almost out of time, Mr. Chairman, so I will yield back the balance of my time.

The CHAIRMAN. The gentleman's appreciated.

And the gentlelady from New Mexico, Ms. Wilson.

Mrs. WILSON OF NEW MEXICO. Thank you, Mr. Chairman. Building on what my colleague from Texas talked about in the testimony that he heard upstairs focusing on the next potential conflict, one of the things I think all of us have kind of dog-eared copies of this, but one of the things I found most fascinating on the recommendations, on page 413, they have kind of this notional structure of the intelligence community, and I know that it was only illustrative but they have these new national intelligence centers, and it has one for China and East Asia, one for the Middle East, one for Russia and Eurasia.

What fascinated me was nowhere is Africa or Latin America even mentioned on the structure, and sometimes that way we define things in our heads causes us to leave some things in the darkness. And I think that is worthy of a note of caution.

I also, like my colleague from Oklahoma, found the front end of this report to be helpful and fascinating in forming some thinking, and I wanted to pursue something, General Odom, that you were talking about, and that is competitive analysis or ways in which we can cause people to think very critically about their assumptions and question themselves and question each other.

I think you are probably right that when agencies come to the table with their forms, solutions in hand, you do probably generate more heat than light, but there are mechanisms, and you mentioned some of them, that cause us to share information and come up collectively with more ideas or insights than any one of us could do individually.

I wonder if there are other mechanisms you are familiar with in your experience that we should, whether legislatively or programmatically encourage the intelligence community to adopt as a routine rather than the exception because some boss says, "I want you to go back and rethink this part."

General ODOM. I would hesitate to try to write that into stone or make it a rule from here. A system that works for a while will probably soon stop yielding what it did once before, and you will want to change again. You cause me with your question to think about techniques I have used myself.

One, when I was chief of Army Intelligence, was to reach down to analytic centers spread out, way out of sight of Washington, and to find somebody who was really doing a first class piece of intelligence and get him up and let him brief the chief of staff of the Army or the Secretary of the Army, and sometimes we could even bring them over to here for a subcommittee's closed hearing.

And that really lifted that fellow, and he wanted to get it right. It wasn't a matter of whether it was going to be politically correct or non-politically correct. It was a matter of how do I really use this evidence to unvarnish the truth so we can see if plain? And there are other techniques like that, and I think this surely is a matter of leadership and organizational design can ensure it. Some organizational designs make it more difficult, and that is why I think the position of the DI at the CIA, the weakness, relative weakness of the National Intelligence Council tends to obstruct it. But those would be my primary thoughts.

Mrs. WILSON OF NEW MEXICO. Dr. Hamre, I also read your editorial and found it to be insightful, and I wanted to ask you about counterintelligence. You talk about trying to be able to share data across lines from all sources and heard that Steve Cambone has four computers on his desk because even the defense systems don't work with each other.

Of course, if we do that, we have a lot more people with a lot more information in the system. What do we need to change the counterintelligence, they spy hunting within our own systems to try to make sure that we protect ourselves from the next set of spies trying to penetrate?

Dr. HAMRE. Representative Wilson, this is the subject of a hearing just by itself, and I hope that you would give me a chance to be one of the witnesses if you can do that and certainly call on General Odom. This is a huge area that needs attention. Our current approach to counterintelligence is case file driven. It grows out of the event having occurred. And what we need to do is to get more of this community trying to stop things from occurring rather than catching things after they have occurred.

So we have got an incredible mind-set shift that we need to create in the community. We need a whole new training regimen. This needs to not be a discipline that grows out of the law enforcement community but a discipline that grows out of the intelligence analysis community. We need to properly integrate the role of counterintelligence with security. Security should be overt, counterintelligence should be covert. We want the overt security channels to shape the bad guy coming at you, and you want to be hiding in the shadows and catch them. I mean there are all sorts of things that we need to be doing in this area.

I think there have been some important advances. PPB 75 created a new kind of intelligence executive for the government. We have not gotten that off the ground very well. It is starting now. I would really encourage you to link up with those people, give them some support, they need it right now. Congress really gave it the kick to get it going, and I think that is a positive thing. Those are things we need to do.

We need to develop analytic capabilities in the counterintelligence community that doesn't exist. These tend to be case-driven, evidence-bound individuals, because they have grown out of law enforcement, and we really need to change that. We need to find a way for counterintelligence professionals to be able to move and serve in other parts of the government. The counterintelligence community needs to grow across the stovepipes of departments, even more than the intelligence community does.

The bad guys will tend to try to find the soft underbelly into our system and then grow from there into more serious parts of the government. So we have got a lot we need to do in this area. It is an incredibly important field. General Odom has been a pioneer to try to bring attention to it, and we would welcome the chance to have your leadership in this area.

Mrs. WILSON OF NEW MEXICO. Thanks, Mr. Chairman. Thank you also for holding these two days of hearings. I think these are some of the best hearings we have had in this committee, and I appreciate it.

The CHAIRMAN. Certainly.

Dr. WOOD. If I could just comment very briefly, because I thought that you identified an exceedingly important point with respect to competitive analyses. There are two excellent examples that I would commend to the attention of the committee and indeed the entire Congress with respect to securing competitiveness analyses and just very briefly remind you the first one are the Team B approaches that have been used generally highly successfully over the last few decades where a group of outside experts is brought in, is relatively fully briefed on the existing intelligence and then is asked to provide competitive analysis of the intelligence relative

to that which the intelligence bureaucracy has developed. And there have been some historically important examples of that in the last few decades.

The other mode is one in which the Congress has been exercising, I think, rather productively, and I say this with a bit of self interest, in the last half dozen years. It constitutes ad hoc commissions which effectively provide competitive analysis of problems the Congress identifies as being of particularly great importance.

One that everybody remembers is the first Rumsfeld Commission to assess the ballistic missile threat to the United States, and that, of course, caused a sea change with respect to national perceptions of that particular threat area. Second one was the second Rumsfeld Commission that assessed the management and operations of national security operations in space and also caused somewhat less dramatic but no less substantive changes over the last several years.

I served on another example of the Commission to assess the electromagnetic pulse threat to the United States that just reported to this committee a few weeks ago. There are other ones that are in the works that may or may not come into existence, but these are sources of intensely sustained competitive analysis that come back and inform the Congress.

So these are two extant means whose results are on the table for everybody to look at that can provide the competitive analysis on major national security issues for the Congress and specifically to this committee.

The CHAIRMAN. I thank the gentlelady.

And the gentleman from Hawaii, Mr. Abercrombie.

Mr. ABERCROMBIE. Thank you, Mr. Chairman. Thank you very much for being here today. I want to move to another area here, the section on global strategy of the Commission report. This was referred to somewhat indirectly but nonetheless again and again, particularly by the governor and Representative Hamilton, with regard to dealing with the issue, the global strategy, and more than just military and intelligence per se.

If you will give me just a moment, I want to read to you just a couple of brief sentences from the section on global strategy and seek to have your perspective. I want to mention—well, I will go on. Let me do this: "Osama bin Laden and other Islamist terrorists," I am reading from page 362 right now, "have drawn a long tradition of extreme intolerance within one stream of Islam, the Wahabism idea. The stream is motivated by religion and does not distinguish politics from religion, thus distorting both. It is further fed by grievances stressed by bin Laden and widely felt throughout the Muslim world against U.S. military presence in the Middle East, policies perceived as anti-Arab and anti-Muslim and support of Israel.

It is not a position with which Americans can bargain or negotiate with it. There is no common ground to which to begin a dialogue." They then go on to say, "Trying to come to grips with this in more than just a military way or intelligence per se, tolerance, the rule of law, political and economic openness, the extension of great opportunities of women, these cures must come from within

Muslim society themselves. The United States must support such developments."

They then go on to state, "Our effort should be accompanied by a preventative strategy that is as much or more political as it is military. This strategy must focus clearly on the Arab and Muslim world in all its variety."

Now, by the nature of the charge given to the Commission, they could not develop and did not develop at greater length what that might be. I wanted to suggest to you something that I have had a conversation with the governor and Representative Hamilton about and for which they were enthusiastic, I think I can say with certainty.

At one point during the careers of you three gentlemen, you were aware that we had something called the United States Information Agency. It was the subject of much derision and accusation especially during the time of Vietnam as being a tool of the State Department or a tool of the executive. Yet in my estimation, it did enormous good work throughout the world on behalf of the interests of the United States by presenting alternative to strictly military contacts or State Department contacts, per se.

By representing the United States culturally, representing the united States as not necessarily ideologically, although that was involved, but as a people, as a civilization, as a way of thinking, as a methodology to approach a world view. Sometimes it might have seemed a bit naive or even silly to some people. Swimming coaches for Burma, tennis lessons in Indonesia, picnics on the 4th of July.

But I hope you will agree, and I think an examination of history will show, many contacts took place in those informal and extracurricular ways, if you will, which allowed information to be shared, intelligence to be gathered in a way that was not threatening.

The reason I go through that preamble with you is, could I have your views on the suggestion in the global strategy section tat we have to look at this politically, that we simply cannot address is solely in military terms and intelligence terms, which lead only to military solutions or scenarios.

And do you have a view with respect to something like the reemergence or the reestablishment of something like the 21st century version of the United States Army Intelligence Agency (USAIA) as a method for also working the question of how to deal with and confront the issue of terrorism?

Dr. HAMRE. Well, I think it is absolutely going to be essential that we do that, and that is get a multidimensional full perspective strategy that isn't just on military but has to do with the full range of powers. Now, American is comprised of both powers of intimidation and inspiration, and we have got the powers of intimidation down real good, but our powers of inspiration, frankly, have atrophied and we are——

Mr. ABERCROMBIE. I am not so naive as to think that a USAIA or its equivalent person would be invited to a camp somewhere in Afghanistan or a Taliban gathering but that is not the point is if this is a long-term operation, then we have to also have long-term ideas about those areas especially in Islamic nations in which the

presence of the equivalent of a USAIA might be at least tolerated if not welcomed so that they could make their attempts.

Dr. HAMRE. Sir, would you permit me to get myself in trouble by asking you to look at how we are managing our visas for students coming into this country?

Mr. ABERCROMBIE. Oh, that is entirely in order.

Dr. HAMRE. It is a disaster how we are treating visas for students.

Mr. ABERCROMBIE. I am well aware of that in Hawaii, I can tell you.

Dr. HAMRE. Please, please, we have got a generation of youth that is going to other countries rather than to learning about us, because we are making it too hard to get into this country to become a student.

Mr. ABERCROMBIE. I was one of the original supporters of the student of the East-West Center in Hawaii, which now has 40,000 plus graduates located throughout the world, particularly in Asia and South Asia, and I can tell you that that is 40,000 people who are now in positions to have a great deal of influence with respect to the view of the United States.

Dr. WOOD. But it is hardly possible to overemphasize the importance of Secretary Hamre's point about student visas. This is a major self-inflicted wound the United States is imposing on itself at the present time for, essentially, no purpose whatsoever. It simply must be stopped, and the Congress is a fine sort of area of the American government in which to call it to a halt.

The CHAIRMAN. Appreciate the gentleman, and the gentleman from Connecticut, Mr. Simmons.

Mr. SIMMONS. Thank you, Mr. Chairman, and thank you, as well, to the members of the panel. A particular welcome to General Odom who I knew many years ago when he was Army chief of staff for Intelligence and when he was also the director of NSA, and then we shared some time in New Haven as fellows of Berkeley College,Yale. He was much more successful there than I was, but that is not surprising.

I am intrigued, General, by the simplicity of your first recommendation, which is that we simply amend the National Security Act of 1947 and take three hats, I guess, and make them two. And I agree with that, and I think that is a proposal that would be relatively simple to do legislatively. And I would be interested in the thoughts of the panel on that subject, but I have a second question which I think is perhaps more difficult, and that is the creation of a National Counterintelligence Service.

I agree with you that the problem is there. The problem was there 20 years ago. The proposal made 20 years ago was that we have a centralized database for counterintelligence and counterespionage. Because of the Soviet threat and the threat of other countries during the Cold War, we are being eaten alive in the area of counterintelligence and counterespionage. We weren't getting the job done.

And it was felt that the only way we could combat foreign intelligence operatives in our country was to have this centralized database. But groups like the American Civil Liberties Union said, "No, no, no, we can't do that. We can't put all the information in one

place." And so it never came to pass. In other words, the politics of the issue defeated the proposal.

Today, you are recommending a National Counterintelligence Service, which is similar, in my view, to the recommendation for a centralized database on counterespionage-counterintelligence. Today we have a Patriot Act which many groups violently oppose. People in my district and elsewhere around the country would like to see it repealed. I don't concur in that judgment at this point in time, but nonetheless that is the politics of the Patriot Act.

How do we go forward with a significant proposal like this given these political dynamics, and does the impact of the 9/11 attack change the politics of the issue sufficiently that we can do that? And I would be interested to know your response.

General ODOM. Well, Mr. Simmons, I appreciate your comments on our previous associations, which have been very rich, and I have been as much a beneficiary of it as you have, probably a great deal more. Again, let me say I am glad that you brought up the simple solution of amending the 1947 act. I think that is a cleaner way to do it, and if you find that some of these other things need to be done, such as moving NSA out or this, that and the other, you can do that later. But it would not be a bad first start at all to see how that is going to work.

On the politics of creating a National Counterintelligence Service, I am not a politician so I really don't know. I never thought before I redid a draft which came out in this book that it would be possible to do that. I could say that it made sense, but I thought it was politically impossible.

It seems to me in the post–9/11 climate it might indeed be possible, because I think it now would be easy to get up and say with great accuracy that you have a spy agency, it is called the FBI. And I also think that rather than emphasizing a common database, that you create the agency first and then look at the American Civil Liberties Union (ACLU) requirements for how you keep things segregated or don't and work that problem then. So I guess, just thinking out loud, that I would create the agency and then deal with those authorities internally, as you see necessary.

I am not a great enthusiast for breaking down protections of our civil liberty, and my experience at NSA showed me that you really can, for the most part, respect them, fully respect them. And I would also say in my counterintelligence experience with the Army showed me that if you take enough resources, you are going to be able to convict a spy but you can't do it on the cheap, and I am prepared to do it the expensive way and respect their rights.

Someone asked earlier here what this committee could do about counterintelligence. You could with your authority over the Defense Department split law enforcement from counterintelligence and the Air Force department and the Navy department. They have it combined, and I think their record shows that it would be better off if it were split.

Dr. HAMRE. Sir, may I just take 30 seconds to add one point, though, and that is I think for counterintelligence to be effective you don't want to create barriers between the secrets you are trying to protect and the people you are trying to do the protecting. So if you create a separate counterintelligence service, frankly it

may be a barrier that you want that committee to work very closely with the intelligence community and the people that are protecting our national secrets. So I would ask you to think about how you are going to engineer that close working relationship, because that becomes crucial.

Mr. SIMMONS. I appreciate that answer. I wasn't necessarily recommending it. I was simply pointing out that that issue has been around for a long time, but the politics of the issue have been very difficult. And the politics of the issues today are very difficult. And I thank you all for your testimony.

Dr. WOOD. I would just like to add that I am personally very sympathetic to the opinions of my two colleagues with respect to the respect and the very careful treatment to be given civil liberties. We will make an exceedingly fundamental mistake if either the war on terrorism or the larger scale, longer-term aspects of national security to which Congressman Reyes referred if we compromise in any significant fashion our civil liberties.

I believe that we have over the last three-quarters of a century come to terms semi-successfully with the existence of a secret police organization in this country, namely the FBI, but we need to exceedingly careful with respect to how we proceed down those lines, because it could just end the American way of life as we know it and value it.

Mr. SIMMONS. I agree with that, and I thank the chair.

The CHAIRMAN. I thank the gentleman, and we have one more set of questions with the ranking member, but the gentleman from Texas has asked unanimous consent that he might just follow on with a fast comment on the proceedings, speaker, so without objection, Mr. Rodriguez is recognized.

Mr. RODRIGUEZ. Real fast. Nothing angered me more than around this time knowing that there were some problems, in fact, El Paso that I knew about between the Drug Enforcement Agency (DEA) and the FBI where they were both almost fighting each other. And we have got to make sure that—well, I guess we can't make sure, but as we go and move on some of these things that we don't create situations where they are both fighting for turf in some of those areas.

And I don't know how we can—you will be the best ones to guide us in terms of how to make sure we don't do that or how we can prevent that, because it is existing now. Because I know have situations like that in this country and we still do, and I know it angered me to hear about one incident that occurred in El Paso between the DEA and the FBI over drugs, while at the same time 9/11 occurred.

The CHAIRMAN. I thank the gentleman.

And the ranking member, the gentleman from Missouri, Mr. Skelton, has got the last shot here at our witnesses before we go into classified.

Mr. SKELTON. Mr. Chairman, thank you very much.

I do have a question for Dr. Hamre; however, first, General Odom, you said something a few moments ago, would you clarify for us, something to the effect that the war in Iraq is being confused with the war on terrorism? Did you say something to that effect?

General ODOM. Yes. I think——

Mr. SKELTON. Would you explain that, please?

General ODOM. The 9/11 Commission said there is no necessary link. They found no links between Saddam Hussein's regime and al Qaida in operations, and it is well known publicly that Osama bin Laden would like to have Saddam overthrown and other secular Arab leaders and that they were hostile to one another rather than cooperative.

And I think most of the public, as public opinion polls have shown, believe that Saddam was supporting them. And if you look at the war in Iraq and what it is done to our relations with other parts of the world, we have lost allies very rapidly over this, and we need allies in this war. We had an unprecedented counterterrorism coalition up until early mid–2002.

Mr. SKELTON. Thank you.

Dr. Hamre, earlier you said the budgetary power is all important, am I correct? You do have or make the recommendation that the NRO, the NSA and NGA come under the director of National Intelligence and away from the Department of Defense. Would that hinder or would that not hinder the collection of military data?

Dr. HAMRE. I don't think it has to. Now, General Odom and I have exchanged here today his worry that the agency almost immediately start lowering its priority to support the military. I personally don't think that would be the case. I recognize it is a potential. I think that the Defense Department has a lot of leverage. First of all, NSA couldn't exist without our military personnel. I mean if we tried to pull them out in a heartbeat, they would be at their knees. And to be honest, you have got a lot of leverage that way. They depend on our platforms. They get a lot of their capability from our platform.

Now, General Odom said rightly that many of those listening posts around the world they can't be turned on or turned off without the DNSA, the director of NSA's, say so. He also can't operate them without our operating them. I mean this is a highly interconnected community, and this can be a genuine partnership. I am not worried that we would have leverage over the NGA and NRO and NSA if push got to shove. I am not at all worried about that. We can make that work.

Is it enhanced if you control their budgets? Well, to be honest, we don't have that strong of control over their budgets right now. I was a comptroller for four years. We did not exercise strong control, budgetary control over those agencies. They lived in a very ambiguous world because of their reporting up to the DCI.

So look well below the surface here. I am not sure we are going to lose that much simply by having the dollars registered at another place. The physical, tangible control of people and things and real estate is very strong, and we still would have that.

Mr. SKELTON. Mr. Chairman, thank you very much. It has been an excellent hearing.

The CHAIRMAN. Well, I thank the gentleman.

And, gentlemen, thank you, and we are going to resolve or dissolve very briefly to 2212. We have got it swept, and we do have a couple of classified questions we would like to ask you. So thanks

a lot for being with us. Why don't we take a 10-minute break and show up again at 2212. Thank you.

[Whereupon, at 5:10 p.m., the committee was adjourned.]

APPENDIX

August 11, 2004

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

AUGUST 11, 2004

Statement of Chairman Duncan Hunter
Committee on Armed Services

Hearing on Intelligence Implications of the 9-11 Commission Report for DOD, Part II

August 11, 2004

The committee concludes its two-day series of hearings on the recommendations of the 9/11 Commission with a distinguished panel of outside witnesses. I am pleased to welcome to the committee this afternoon:

Honorable John J. Hamre
President and CEO
The Center for Strategic and International Studies
(former Deputy Secretary of Defense)

Lieutenant General William E. Odom, USA (ret.)
Senior Fellow
The Hudson Institute
(former Director of the National Security Agency)

Dr. Lowell Wood
Senior Scientist
Lawrence Livermore National Laboratory

This fourth hearing is primarily concerned with the implications of the 9-11 Commission's proposed intelligence reforms on the Department of Defense. While there is broad agreement that we can, should, and must do better in the intelligence business, the public debate so far has largely taken place with a narrow focus on avoiding a repeat of the failures that led to September 11th.

While that's understandable, we must ensure that reforms don't have undesirable and unintended consequences. For instance, recommendations to weaken the relationship between warfighters and the defense intelligence assets that support them could undermine our military edge, put our soldier's lives at risk, and ultimately weaken national security by degrading our military performance. That question was beyond the purview of the 9-11 Commission, but it is an issue that Congress and the President must deal with as we work to reform the intelligence community.

Today, we're going to review a few of these ideas with some expert witnesses. Dr. Hamre is, of course, familiar to us from his distinguished service as Comptroller and Deputy Secretary of Defense in the last administration. General Odom is an accomplished intelligence professional and the author of "Fixing Intelligence." Dr. Wood is one of the most creative people at Livermore National Laboratory, having appeared before this Committee last month as a member of the Electromagnetic Pulse Commission. Gentlemen, thank you for coming. I look forward to an engaging hearing as we review several ideas for reforming intelligence.

Let me turn now to my friend and ranking member, Ike Skelton of Missouri, for any remarks he would care to make.

Without objection, your prepared statements will be entered into the record.

Dr. Hamre, as our most senior witness, let me turn the floor over to you.

Opening Statement for The Honorable Ike Skelton (D-MO), Full Committee Hearing on the Final Report of the National Commission on Terrorist Attack Upon the United States
August 11, 2004

Thank you, Mr. Chairman. I would like to join you in welcoming General Odom, the Honorable John Hamre, and Dr. Wood. Gentlemen, thank you for joining us today.

This hearing continues this committee's two-day public-gathering effort to more closely examine the "9/11 Commission" recommendations. As we all know, if implemented, these recommendations will effect significant changes on Defense Department operations.

As a former member of the Intelligence Committee and as a long-serving member of Armed Services, I support an effort to reform the intelligence community and endorse the "9/11 Commission"'s call for change, as I publicly declared earlier this morning. The tragic

events of 11 September were a result of an intelligence breakdown. Change is necessary. And the time for change is now.

Regardless of the particular, underlying cause – be it structural, organizational, or perhaps resulting from a simple lack of imagination – the following truth stands out: an intelligence breakdown occurred; and the status quo cannot remain.

As the Chairman has noted, yesterday's proceedings included testimony from the Co-Chairs of the Commission as well as senior DoD officials responsible for spearheading the military's global fight against terrorism. In sum, the testimony highlighted yet again the value of intelligence – both strategic and tactical – in this global struggle.

Panelists so far have emphasized the following: for American uniformed personnel deployed abroad to combat terrorism, the nature of the threat puts great

value on the combatant commander's access to accurate and actionable intelligence. According to General Brown, Commander of Special Operations Command: the value of this product, and the warfighter's access to it, is at a premium. I expect the present panel to echo a similar sentiment.

Yet I also expect this afternoon's panelists to emphasize the distinction between tactical and strategic intelligence and comment further on the tendencies – right or wrong – of American bureaucracies. To be sure, our political tradition has spawned a necessarily unique, complex, sometimes-*ad hoc,* and always-nuanced national security intelligence apparatus. It is the nature of the business. The Intelligence Community understands all too well that both civilian and military customers exist, and each customer base has its own perspective and set of priorities. As such, the resulting apparatus comprises of an inherent tension between "centralization" and "departmental autonomy" as it continues to strive for "analytical competition."

That said, we must continue our effort to ensure the proper conditions for producing the best intelligence. I believe we can and will achieve success. The recommendations of the "9/11 Commission" provide a sound base for effecting such change. And I hope this afternoon's panelists will assist us as we clarify the details of this necessary "way ahead."

Thank you.

TESTIMONY BEFORE THE HOUSE ARMED SERVICES COMMITTEE

By LTG William E. Odom, USA, Retired

11 August 2004

Good afternoon Mr. Chairman and members of the committee. It is honor to appear before you today. You have asked me to address the implications for the Department of the Defense and the military services of the intelligence reform proposals, especially those of the 9/11 Commission, which would create a National Intelligence Director.

I will begin by summing up my overall judgment about the proposed reforms and then elaborate my reasons for deep concern about parts of them.

Two major changes are long overdue because failure to make them has blocked an effective evolutionary development in the Intelligence Community (IC) over the last three decades, a development dictated mainly by a steady infusion of changing technologies.

The first of these obstacles is the double-hatting of the Director of Central Intelligence (DCI) as the director of CIA. The second is the fragmentation and ineffectiveness of counterintelligence (CI) caused primarily by the FBI having responsibility for domestic CI. Removing the first obstacle, the double-hatting, can bring large efficiencies in use of money and personnel. It can also lead to more effective direction of collection management and national intelligence production. It will not, however, cause a major near-term

improvement in the IC's operational performance. That will require a few years. The simplest way to split the two jobs is to amend the 1947 National Security Act, rescinding the requirement that one person hold them both.

Removing the second obstacle would have the greatest positive near-term impact on dealing with terrorists. It is, therefore, the most urgent reform. In the longer run, CI reform will also allow greater efficiencies in the use of resources achievable, not to mention raising the quality of American CI from among the worst in the world to among the best. It can only be done by creating a "national counterintelligence service" without arrest authority and responsible to the DCI.

Splitting the DCI from the Director of CIA

The 9/11 Commission report and other proposals not only call for separating the DCI from the CIA but also would give him new budget and personnel authorities and presumably greater control over intelligence operations; e.g., collection management, intelligence production, and distribution. While the separation is a very good idea, some of the other proposed changes would make things much worse. Before assessing the 9/11 Commission's scheme, we need to look at the present Intelligence Community and understand the DCI's authorities and capabilities.

Authority over resources. Consider first the area of resource management, i.e., budgets, personnel, and IC-wide policies. The DCI has long had strong budget authority but has seldom exercised it properly. The CIA's penchant for defending the NRO's budgeting

methods has precluded the DCI from implementing a budget management system, i.e., a PPBS system that relates resource "inputs" to major categories of intelligence "outputs." Thus the DCI has never been able to explain how his spending choices affect its output of usable intelligence, either when negotiating the size of the intelligence budget with the Secretary of Defense or in making the case for it to the Congress.

The role of the DCI began to change in the late 1958s and early 1960s, but the most significant evolution came in the 1970s when, in the resource management area, an IC management staff was established.

This was probably in reaction to a directive from President Nixon. He specifically assigned the DCI "program budget management responsibility" for the entire National Foreign Intelligence Program (NFIP) in 1970, and that responsibility was reaffirmed by every subsequent president at least through Clinton. This means that the DCI has been empowered to adjust, limit, increase, or reallocate within the budgets of NSA, DIA, and parts of the NFIP portions of program budgets of the military services, not to mention the NRO budget.

The claim made so frequently that the DCI does not have great control over budgets simply is not true. Once the Secretary of Defense has set a maximum dollar figure as DoD's contribution to the NFIP, the DCI has as much authority over the allocations within the NFIP as the Secretary of Defense has over the allocations within the program budgets of the military services. The Secretary of Defense, like the DCI, does not have "budget execution" authority over the

military service budgets. The military departments spend the monies written into law by you, the Congress, according to the line item numbers you set. Very limited re-alignment of monies within that budget is permitted, above that fairly modest level, reprogramming of money requires your approval. Moreover, a military service cannot come back to Congress for reprogramming without the permission of the Secretary of Defense. The same is true for the IC organizations within Defense. If, for example, NGA wants to realign several millions of dollars in the budget now being spent, it must have the DCI's approval.

Why, therefore, does the DCI need "budget execution" authority, as the 9/11 Commission recommends and as the bills now enrolled in the Senate and the House for a Director of National Intelligence specify? He does not. It is true that the DCI does not have some of the powers over personnel matters that the Secretary of Defense has, but he can establish IC-wide some types of personnel policies common to all elements, and informally he can have strong influence on the appointment of the directors of any IC member organization. When the DC asked me to assign personnel from NSA for a year or so to other parts of the IC, I did so, and I suspect that all subsequent directors of NSA have done the same. Such responsiveness has probably been true for the heads of other intelligence agencies in the DoD.

I do not see how the resource management issue will be solved by any of the proposed reform schemes, and they all will make them worse. This is not to say that no reforms are required; it is to say that some are but not others. More important, the establishment of a

PPBS system is needed, one based on five major program categories for "outputs" of intelligence. They are: HUMINT, IMINT, SIGINT, analysis and production, and finally, CI. And "national managers" for each program will be essential. Why? Because the technical nature of all five program areas is so complex and different from one to another that no single staff element under the DCI could assemble, understand, and effectively organize the data required to build a sensible program, especially in SIGINT and IMINT. This helps explain why PPBS has never been effectively attempted. The CIA-dominated staffs of the DCI have never had the technical competence to assess the prioritization of SIGINT programs. Yet they feared losing control if they gave the responsibility for each of the programs to the appropriate IC agency head. Moreover, no agency head is now in a position to prioritize the budgets in a single collection discipline or either of the two production disciplines, all-source analysis and CI.

Today, however, logical choices for national managers exist for three of the programs – the Director of NSA for SIGINT, the Director of NGA for IMINT, and the Deputy Director of CIA for Operations for HUMINT. And the last, for HUMINT is still ill-positioned because he is only a deputy director inside CIA. With major changes, no one is well placed to manage an all-source analysis and production program budget and a CI program budget.

A few other changes will also be necessary if the IC is to implement effective resource management, but I believe I have clarified the matter sufficiently to show the problem is not lack of DCI budget authority. Rather it is DCI's failure to use it effectively.

It is still true, however, that an effective resource management system cannot be fully implemented without some structural changes. The lack of a National Counterintelligence Service, one that takes over the FBI's CI role, has no arrest authority, and coordinates all of the CI operations in the CIA, army, navy, and air force departments, makes it impossible to have sensible CI program budget. The Director of CIA, once separated from the DCI, could become a very effective "national HUMINT program manager." The National Intelligence Council is the logical place to put the program budget management responsibility for intelligence analysis and production (including the DCI's collection management operations), but it would need major internal changes and strengthening to handle the task.

Authority over intelligence operations. The DCI's management of intelligence operations includes collection management (i.e., determining requirements and tasking collectors), all-source analysis and production, and distribution of intelligence products.

As I mentioned above, significant progress was made during the 1970s in enhancing the DCI's staffing capabilities for resource management. They were also improved for managing intelligence operations. National Intelligence Officers (NIOs) were established to deal with interagency production of National Intelligence Estimates and other national level analysis. In 1977, the DCI created the National Intelligence Council (NIC) that gave the NIOs a firmer organizational base, although still heavily dependent on the CIA's Directorate of Intelligence (DI).

Unfortunately, collection management was not assigned to the NIC. The task of compiling the national collection requirements lists

from all government users of intelligence was left in the IC management staff. Moreover, no clear distinction was made between general collection management and technical collection management. The latter applies to directing collection within each collection discipline – SIGINT, IMINT, and HUMINT – and it differs greatly in each and requires highly specialized skills and expertise. All-source analysts in the CIA's DI, in INR at State or in DIA are neither expert in it nor in a position to exercise technical collection management, although NIC and CIA/DI analysts have occasionally tried to do so. At the same time, they have tended to neglect the DCI's collection management role because compiling the National SIGINT, IMINT, and HUMINT Collection Requirements lists has been in the resource management staff.

These lists are laborious to compile but play the key role in guiding the budgeting and deployment of collection efforts in all three collection disciplines. Had DCIs, in late 1980s and early 1990s, begun to shift the requirements on these lists to the Middle East, the IC would be much farther along in building capabilities for this region. He would have needed national program managers and a PPBS structure, however, to be sure that his guidance was truly being followed.

The point here is that the DCI has strong authorities over IC-wide collection management, but the exercise of them has been haphazard and slow at times.

Let me add parenthetically that this ponderous but critically essential collection management system is supplemented by a "time sensitive requirements" system in NSA and NGA, and probably to

some degree in the DO in CIA. If, for example, a crisis breaks on a Saturday night, these agencies' operations centers, handling "technical collection management," can begin shifting the collection efforts to meet the needs of military commanders and diplomats dealing with the crisis. They do not wait until the opening of business on Monday morning. As late as the early 1980s, however, NSA was not allowed to do this for some major parts of SIGINT collection because the DCI had committees under his management staff that met only during weekday business hours and decided collection priorities. In about 1983, the Director of NSA was permitted to redirect all overhead collection instantly in any emergency without the IC SIGINT committee's approval. This committee system lasted for IMINT at least until NIMA was created in 1997. Progress has been made, albeit slowly, against the NRO's strong resistance, and the combatant commanders have been the greatest beneficiaries.

Today, the DCI's collection management role needs to be executed by the NIC, not the Community Management Staff, just as the NIC needs to take over program budget management for all-source analysis and production.

None of these much needed improvements in the present system are likely to occur until the DCI is separated from the Director of CIA.

The Implications of the 9/11 Commission Proposals.

Now that I have explained what a DCI or National Intelligence Director should do, let us suppose that the scheme proposed by the 9/11 Commission becomes law. What would the problems be?

First, putting the DCI/NID in the White House would make him a dysfunctional competitor to the National Security Advisor. The adverse consequences of that arrangement are difficult to exaggerate. No sensible president would tolerate it for long.

Second, several national-level intelligence analysis centers would be in the same unfortunate position as the Directorate of Intelligence at CIA today. They stand above all the real hands-on users. Rather than provide "distributed all-source intelligence analysis," the only kind that has ever been effective for military commanders and most policy-makers, this centralized system would make the present set of problems worse. The Defense Department would probably ignore them and continue its own distributed approach in the form of the DIA, the military service intelligence chiefs, the J-2s in joint organizations, and other such production centers supporting J-2s, G-2s, and the like.

What the 9/11 Commission claims is a military "joint operations" approach to intelligence in the form of these national centers is a misconception. The commission misunderstands the idea of military jointness when it opposes management of intelligence collection by discipline, i.e., SIGINT, IMINT, and HUMINT. Intelligence organizations are at war all the time. Treating some of them like the military services that train, equip, and deploy forces to joint commanders makes only partial sense. NSA and NGA are not only training and equipping, but are also conducting live intelligence operations 365 days a year. And within each agency they run recruiting, training, and equipping programs. In this regard, the distinction between a military service and a joint command is a

misnomer. It embraces. The civilian component of NSA is much like a military service; in its world-wide operations, the three military "service cryptologic elements" are its "joint" army, navy, and air force component commands. When NSA is likened to a specified joint command that is functional in its mission and global in its reach, like the strategic bombing command, or Transcom, then the concept has some relevance, but not as applied in the 9/11 Commission's scheme.

Centralized and concentrated analysis on some problems, e.g., terrorism, for periods of time can be very effective, at least until the distributed centers are able to handle it on their own, but to set up "regional centers" is to create bureaucracies without a clear focus at the national level. Thus they would likely become little used bureaucratic entities. To be useful, they would have to be deployed to the unified regional commands to work for the J-2, not something the 9/11 Commission envisions. Quite the contrary. I suspect that the military services will be reluctant to commit resources to such centers and disinclined to depend on them.

Meanwhile, the 9/11 Commission scheme does not deal with collection management and all of the tasks the DCI must execute to run IC-level intelligence operations. If each center can drive collection management, who will referee their conflicts over priority in collection taskings?

Moving to the system of resource management through three deputies – one for foreign intelligence, one for defense intelligence, and one for homeland security intelligence – appears to build bureaucratic walls that would prevent effective resource

management. The important trade-offs in resource allocations do not exist within these three areas. They are in the collection disciplines. Trading off fixed installations against mobile systems, space-based systems, and others is the place efficiencies are to be found in both SIGINT and IMINT. Thus these three deputies' areas of responsibility would be huge obstacles to effective resource management.

After puzzling for some time over this strange staffing design for a National Intelligence Director, I have concluded that, among other things, its authors do not appreciate the impact of changing technology over several decades on the collection disciplines. If a DCI or NID is to have effective control of resources and operations in the IC, he will have to do it on the three collection disciplines first of all. They have to be operated as disciplines, not by regions or by bureaucratic boundaries between department, and their resources can only be managed in the same way because resource "inputs" have to be related to operations "outputs." CI is somewhat in the same situation but with some peculiarities. So too is all-source analysis and production.

The 9/11 proposed arrangement could soon have the effect of breaking down the supply of SIGINT and IMINT to the civil agencies that now receive it because these disciplines would be segregated as defense-only. And Defense would be inclined to develop its own clandestine HUMINT separate from and uncoordinated with the CIA's.

If Defense treats its own intelligence separate, as this arrangement encourages, then I do not see how the NID could possibly exert very much program budget control. His deputy for

defense intelligence would either be ignored by DoD or side with DoD, making himself a major problem for the NID.

Homeland security would be left to create its own collection systems, I suppose. Or it would be left with whatever largess in collection that NSA, NGA, and CIA wanted to offer. The resulting situation would be worse than with no reform.

Many more such examples of dysfunctional results could be offered, but these should be adequate to show how ill-advised those proposals are.

Let me reemphasize, however, that it still makes sense to split the two posts, making the DCI manage the entire IC while leaving the Director of CIA to manage HUMINT, special activities, and a few other related activities, such as the Foreign Broadcast Information System.

How does it help the military services? Modern communications and technical collection capabilities – all made possible by the revolutionary technologies based on microcircuitry and directed energy – have allowed a complex array of SIGINT and IMINT capabilities to be developed, fielded, and operated in an orchestrated manner, linking from the tactical systems to the national systems. Both can deploy globally and be operated centrally, still allowing considerable local tactical autonomy to local commanders. The centralization allows the entire system to be shifted quickly, in hours, from one part of the world to another to support different commanders and policy-makers, depending on the priorities determined by the Secretary of Defense and the Chairman under a system of collection

management designed by the DCI, NSA, and others for "time sensitive requirements."

The SIGINT collection discipline has come to be an outstanding component of truly "joint" operations. And like air and artillery support, it can be redirected to influence military, diplomatic, or law enforcement activities by the DCI in response to the President, the Secretaries of Defense, State, Homeland Security, and any other departments that need intelligence.

The military services, singularly or jointly, would never have built the present national SIGINT system. They would not have spared the focused management for dealing with the technologies and technical specialties, especially in pure mathematics and computer science that NSA has amassed. I presume that a parallel development is occurring in NGA, but I am not as familiar with it because IMINT was still managed in a fragmented way by an IC staff committee as late as 1997. If NGA has not brought a parallel technical management and operational competence to IMINT since then, it should have. It is now possible. Before 1997, it was not.

Nor would these developments have been possible were they not also sponsored and backed by the DCI and the White House as truly "national" capabilities, supporting State's diplomatic operations, and the operations of several other important civilian agencies. This non-DoD support actually benefits the military services because it makes the DCI stronger for getting resources that would not be provided only for support to military operations. In the 1960s through the 1980s, many in the military services were hostile to NSA because they did not understand what it could provide. Actual operations have

demonstrated the huge advantage in having a national system with a tactical reach, changing a lot of minds in the military services.

During my tenure as the Director of NSA and earlier, I became familiar with numerous foreign intelligence systems. None had come close to creating anything as effective as the IC's technical collection capabilities. Organizational fragmentation between civilian and military systems is far worst in most foreign intelligence services.

The occasional proposal to move NSA and NGA out of DoD would reintroduce that kind of fragmentation into the US Intelligence Community, setting it back dramatically. I believe that anyone, after being exposed in great detail to how NSA and NGA operate, would soon agree with me on this point. But it takes more than a few briefings to get a valid picture, and it requires more technical understanding than is normally found among the top leadership within the Intelligence Community, not to mention outside commission staffs.

And were NSA and NGA withdrawn from DoD and transferred to CIA, almost certainly the military services would recreate their own SIGINT and IMINT systems, duplicating NSA and NGA, and the CIA would just as certainly mismanage and degrade these two agencies, not to mention destroy their abilities to integrate the vast military tactical SIGINT and IMINT capabilities into their operations.

Now, let me make a couple of points on IMINT and SIGINT in DoD. Integrating budgets for TIARA and other non-national reconnaissance systems with budgets for national systems was never done very well during my tenure, and I have not been able to work out a system in my own mind that is without weaknesses. Progress

in NSA-TIARA integration was dependent on informal cooperation between the military services and NSA. If the Director of NSA had the responsibility for the entire national SIGINT program budget, however, and he worked it out with a PPBS system, he would be better able to show the military services why some of their SIGINT systems made little sense, why others were valuable, and how he could support them effectively with his national capabilities working together with theirs. Thus, improvements in that integration always struck me as possible. But the lack of a PPBS process implemented by national mangers for the collection disciplines made this impossible.

A second and related problem is found in the NRO. Strongly backed by the DCI and CIA, it was a major obstruction to the NSA-TIARA integration. This problem also involves the Air Force's desire to own and operate all space-based surveillance systems. Were that allowed, it would destroy the highly symbiotic relations between space-based SIGINT collection and terrestrial and aerial collection. Moreover, the "output" of the NRO's space-based systems would drop dramatically if they were not under NSA's management and control. Some would no longer work at all.

Space is a place, not a mission, and intelligence collection is one of at least a half-dozen missions that can be accomplished in part from space. Several others are outside the Defense Department; e.g., weather satellites are procured and operated inside the Commerce Department, and some are in the private sector; e.g., satellite communications links. An all-inclusive military space organization, therefore, is a misguided concept.

I mention both the NRO problem and the Air Force insistence on controlling all space-based reconnaissance systems because the 9/11 Commission proposals show no awareness of either. If they were implemented, they would surely make these problems worse, not better.

Finally, I am not sufficiently aware of the role the new undersecretary of defense is playing in program budgeting or intelligence operations to render a confident judgment on how it would be affected by the 9/11 Commission's proposal. If this undersecretary is trying to do more than act as a staff officer, gathering information and helping advise the secretary of defense, I believe the consequence must be a lot of unnecessary turmoil and confusion in DoD intelligence affairs. That office is not in a position to implement a PPBS system for all DoD intelligence because so much of it is entangled with IC organizations and activities outside of DOD. The DCI and his IC staff have to get things organized effectively before they can provide the context for effective program budgets and intelligence operations inside DoD, and without that context, the DoD's efforts to put their IC elements in order can only be wasted and dysfunctional.

In sum, DoD could gain a lot from the DCI being separate from the Director of CIA. The logic of the IC's evolutionary development could be followed, and both DoD and the IC would be more effective in the technical collection disciplines.

Some Problems Peculiar to CIA-DoD HUMINT relations

Precisely how the 9/11 Commission's proposals would affect HUMINT in the DoD is not so clear, but they would probably make it worse. CIA falls under one deputy NID, and DoD intelligence falls under another.

We cannot go very far into this area in open session, but let me mention a couple of points of concern that should be examined carefully in closed session.

First, there has always been disagreement and ambiguity about CIA's clandestine service's relations to military unified commands. In principle, all of the CIA stations within a unified command's area should come under the CINC's operational control ("OP CON") in wartime, but I have never seen that occur. DCIs have resisted it, and CINCs and their J-2s have no training or competence in exercising that control if they could get it. In other words, the collaborative relationship between NSA and unified commands with their tactical SIGINT capabilities is not paralleled by a similar collaborative relationship between the CIA's Directorate of Operations and tactical DoD HUMINT, either in peacetime or wartime.

Progress needs to be made in this area, especially if the anecdotal evidence from the wars in Afghanistan and Iraq is true, even in part.

Second, "special activities" have always been the responsibility of the DCI, using CIA. Yet DoD has large and diverse paramilitary capabilities that can be used in special activities. They cannot be effective without a lot of preparatory support in peacetime from the CIA/DO. CIA is notorious in the army for promising but never providing that support. And CIA's own paramilitary capabilities have

tended to be amateurish to the point of hilarity at times, disaster at others.

A DCI separate from CIA would be in a position to deal more disinterestedly with these two problems. This is not true for the NID recommended by the 9/11 Commission because of his location in the White House and his system of deputies and staff organization. The NID would be poorly placed to solve them.

The Most Urgent Challenge: Fixing Counterintelligence

As I said at the beginning, the most urgent problem facing the IC is ineffective CI. CI is really 'intelligence' about hostile intelligence services, nothing more. It is not "security," although CI is critical to implementing effective security.

CI also overlaps very much with counterterrorism in the United States because terrorists operate like spies in many ways. They are also outside the area of CIA or DoD legal competence to track. Much improved CI, therefore, would greatly benefit our counterterrorism operations.

What are the problems with the present CI structure?

First, and easiest problem to explain, US CI is fragmented among five agencies – the FBI has domestic CI responsibility, the CIA has foreign responsibility for CI, and the army, navy, and air force departments have CI operations to support themselves abroad and on military installations within the United States. No agency has a comprehensive view, one that melds the CI views of all five. Hostile intelligence services know this and run operations between agencies, often playing one agency against another.

Second, no law enforcement agency, that is, an agency with arrest authority, will consistently beat spies. Nor will it do well against terrorists. Criminal law enforcement techniques are too easy for spies to evade or defeat. Law enforcement agencies are in a hurry; they want news coverage; and they tend to focus on "crimes" after they have been committed rather in preventing them in the first place.

CI operatives are entirely different. They avoid publicity. They have more patience. They cannot arrest a spy or terrorist. They must give intelligence about spies and terrorists to law enforcement agencies, most often, the FBI. Thus their incentives are structured to share intelligence, not to hold it for their own use, as the incentives are structured for the FBI and other law enforcement agencies.

This means that the FBI, no matter what reform it makes, will never become effective at CI. The law enforcement culture rightly dominates the FBI. That means it will always block the creation of a first-rate CI culture.

The only way to overcome this problem is to create a separate agency, a National Counterintelligence Service (NCIS), under the DCI, just as the CIA is. It cannot have arrest authority. That is left to the FBI, and when it wants spies arrested, it must give the FBI the evidence for doing so and for convicting them in court.

The fragmentation problem can also be solved by this change. The NCIS should have authority to review and coordinate all of the CI operations run by the CIA, army, navy, and air force. That would give it a comprehensive picture of the larger CI challenge to the United States. An NCIS would then also be able to provide CI support to

three military departments and the DoD, something the FBI seldom if ever does.

The Defense Department has a strong interest in supporting this reform. If this committee and the HPSCI were to review all of the CI operations run by the military departments in the 1980s, and perhaps later, they would soon discover how much harm the FBI has done to military CI. That, I believe, would increase your support for this reform. It would also inspire you to ask the air force and navy to split CI from their criminal investigation organizations. The army has long kept CI in its own organization.

In my experience, CI has been the most deficient of all areas of IC responsibility, and my reading of the emerging record from the 1940s and 1950s, as Soviet archives have become more accessible, suggests that the FBI never had any "good old days" against the KGB or NKVD. On the contrary, the record seems to be mainly a series of failures that make the recent cases of Wen Ho Lee at Los Alamos and Robert Hanssen inside the FBI, as well as several other damaging penetrations of the FBI, look like the norm, not exceptions.

Creating a new wall around the CI division within the FBI is not a solution. It is eyewash. The law enforcement culture, even if somewhat ameliorated by recent outside pressures after 9/11, will reassert itself. Moreover, the fragmentation problem has not been addressed, even in a cosmetic fashion.

Conclusion

This foregoing analysis of the 9/11 Commission's proposals is sketchy because the issues are so numerous and complex that a full clarification of them cannot be provided in a few pages.

I have, however, provided a book-length analysis of the IC's problems and offered solutions to most of them in Fixing Intelligence (Yale University Press, 2003/2004).

I hope this testimony stimulates and helps focus your further investigation of the issues.

Finally, I also hope that you can now understand why I favor separating the roles of DCI and Director of CIA while I object to the way the 9/11 Commission would make the split. This can best be done simply by amending the 1947 National Security Act to rescind its requirement that the DCI also be the Director of CIA and specify that double-hatting is not allowed. And I hope you appreciate why removing the CI responsibility from the FBI is the most urgent step that can be taken to improve our capabilities for dealing with the post-9/11 environment.

CSIS

Testimony before the
Committee on Armed Services
United States House of Representatives

"Implications of the Recommendations of the 9-11 Commission on the Department of Defense"

August 11, 2004

A Statement by

John J. Hamre
President and CEO

CENTER FOR STRATEGIC AND INTERNATIONAL STUDIES, 1800 K STREET, NW, WASHINGTON, DC 20006
TELEPHONE: (202) 887-0200; FACSIMILE: (202) 775-3199 WWW.CSIS.ORG

Chairman Hunter, Ranking Member Skelton, distinguished members of the Committee, thank you for inviting me to participate in this critical hearing. I am grateful that you are undertaking this review. How we organize our government to undertake critical intelligence is one of the most fundamental problems we face. We need your thoughtful review and considered judgment. This is not something to rush. Please take your time to think through these issues carefully.

With your permission, I would ask that you accept as my statement a copy of the article I wrote that appeared Monday in the *Washington Post*. It outlines everything I would otherwise want to say this morning. I would like to amplify on that statement, however, to discuss the implications this holds for the Defense Department.

Let me say at the outset that American war fighting is more dependent on intelligence today than at any time in our history. The globe is not getting smaller; our forces are, so we have to get maximum efficiency by being precise in our planning and operation. We depend on superb tactical intelligence.

A good deal of those capabilities are organic to our operating forces. But we also depend on the intelligence support we receive from the National Security Agency, the National Geospatial-Intelligence Agency, and the National Reconnaissance Office. I honestly believe we can count on that support and have it tactically relevant, even if those organizations are transferred to a new central intelligence organization under a new DNI. But there are some steps we should take.

First, I believe we should continue to send our military personnel to those institutions, even after transfer. Frankly we need to do that because we don't have the rotation base exclusively within the military services to support our force structure and manage our personnel. We need the wider job rotation base that these agencies provide. So it is in our interests for two reasons—to insure they continue to focus on us and to insure that our best tactical intelligence operators have a rotation base.

Second, I would explicitly establish a very senior board of directors to oversee the new department. These individuals would actually be representatives for the cabinet secretaries who have the constitutional missions assigned them by the President. The intelligence community should be accountable to them, and we need a standing structure that insures that oversight and accountability.

Third, I believe that we are on the edge of a new set of military intelligence platforms—long dwell unmanned vehicles is a good example—that provide needed tactical intelligence, but which also feed the national system. I would make those DoD investments and keep them in the Defense Department. We already know how to jointly task them for tactical and national missions.

Fourth, I think the two Armed Services Committees need to strengthen their oversight of intelligence. But the focus should be on outputs, not on inputs. Too much of the oversight today is devoted to the review of the annual budget inputs to the system, not an assessment of the

capabilities we get from the systems. Your oversight will help insure that the new intelligence system is responsive to our war fighters.

Thank you for inviting me to participate today. I am pleased to answer any questions you have at the appropriate point.

http://www.washingtonpost.com/wp-dyn/articles/A50943-2004Aug8.html

Washington Post

A Better Way to Improve Intelligence:
The National Director Should Oversee Only the Agencies That Gather Data
By John Hamre

Monday, August 9, 2004; Page A15

It's refreshing to have a big debate in Washington. Too often our debates are small and arcane. The Sept. 11 commission has touched off a much-needed debate of constitutional proportions: How do we best organize the intelligence functions of the government to protect the nation, yet oversee those functions to protect our citizens from the government?

The commission has rendered an enormous contribution to the nation. But its recommendations need to be the starting point for a great debate, not the final word. Political passions are rising, which portends danger. The American system of government is designed to move slowly, for good reason. Such a big and complex country needs to fully consider all the implications of major changes. We make mistakes when we move quickly, and we can't afford to make a mistake here.

Good as they are, the commission's recommendations are too narrowly centered on one problem. This is understandable. The commission was established to examine the problems the government had detecting and preventing the terrorist attacks on Sept. 11, 2001. By definition, that was a matter of coordination among elements of the government, both vertically within organizations and horizontally across institutions. This is often referred to as the "connect the dots" problem.

But that isn't the only trouble with the intelligence community. Before the war in Iraq, the policy and intelligence communities held the near-unanimous conviction that Iraq was chock full of chemical and biological weapons, yet we found nothing. We collectively embraced a uniform mind-set, which is every bit as serious a problem as connecting the dots.

The field of view of our intelligence community is too narrow. The community is relatively small and its component institutions isolated. It is understandably and necessarily preoccupied with protecting sources and methods. And bureaucracies naturally fight for resources. In that environment, intelligence bureaucrats, like bureaucrats in any organization, strive to please their policy bosses. Taken together, these factors contribute to an endemic narrowness of perspective. The shorthand label given to this problem is "groupthink."

We need to fight that narrowness by creating more competition for ideas in the intelligence assessment world. The competition among ideas is improved when different organizations reporting to different bosses compete for better insights and perspectives. Bringing together the

entire intelligence community under a single boss who exercises budget and personnel control would further constrain the constructive competition we need within the intelligence community.

The two great problems -- connecting the dots and avoiding groupthink -- are in tension with each other. Implementing an organizational solution to just one of the problems will worsen the other.

The great debate underway in Washington has two camps. The Sept. 11 commission, Sen. John Kerry and many congressional leaders believe a new director of national intelligence (DNI) can succeed only if the person in that job controls the budgets and personnel of the intelligence agencies. People in this camp would leave the agencies with their host departments but give the budgets and control of personnel to the new director.

President Bush chose a different path. His plan would create a relatively weak DNI, whose power would come from managing a set of interagency processes and supervising a set of ill-defined new centers. Unfortunately, if unintentionally, this approach also diminishes the bureaucratic standing of the CIA.

In sum, both approaches are flawed. I know from personal experience in government that ambiguous command authority is dangerous. Keeping intelligence agencies within a department whose budgets and senior leadership depend on people outside the department won't work. Similarly, we have a long history to demonstrate that the power and standing of central coordinators of interagency processes -- Washington policy wonks now call them "czars" -- deteriorate rapidly with time.

More fundamentally, each of these two approaches solves one of the great problems but exacerbates the other. The Sept. 11 commission's proposal would improve "dot-connecting" but would threaten competition among ideas. The president's recommendation would better sustain idea competition but do little to solve the problem of interagency coordination.

Frankly, I didn't favor the idea of creating a DNI, but I understand politics. Both political leaders in a hotly contested campaign have endorsed it as a symbol. We will have a DNI. We now have to ensure that we get a good solution. There is a third path.

The new DNI should run the existing interagency intelligence centers or their successors and coordinate the tasking process. But the DNI needs to be undergirded with real institutional power. The technical collection agencies -- notably the National Reconnaissance Office, the National Security Agency and the National Geospatial-Intelligence Agency -- could be transferred to the DNI. The new director would manage the factories that provide raw material and support to the intelligence bureaus, which would remain within the Cabinet departments.

This approach would facilitate the integration of data collection while preserving diversity of perspective across the community for purposes of strategic assessment. Cabinet secretaries could devote their energies to demanding better analysis, rather than managing large bureaucracies that run machines to collect raw material for the intelligence process. This approach also would ensure that oversight of domestic surveillance on American citizens remained a responsibility of

the attorney general, who is charged with protecting our civil liberties. Even here, however, the FBI could turn to the central collection agency, but under the attorney general's supervision.

My friends in the Defense Department are shocked that I have suggested this approach. Modern American war-fighting is more dependent on high-technology intelligence than ever before, they note. We cannot decouple the close working ties between our intelligence capabilities and our war fighters.

But there are ways to ensure that we sustain those close working ties. We should continue to send our best military personnel to work in these agencies and to support national collection efforts with tactical military intelligence systems. The DNI should have a board of directors made up of senior operators from the supported departments. And underlying it all is what I know to be true: that all civilian employees in these agencies consider it their highest priority to support the American warrior in combat. That will not change, even if these institutions report directly to a DNI.

Yes, there will be challenges and problems, but they are manageable. It is said that the intelligence community needs a reform like that of the Goldwater-Nichols Act, which transformed the Defense Department. In fact, Goldwater-Nichols changed the Defense Department because it institutionalized demand for better capabilities from the military services. The Pentagon fiercely fought Goldwater-Nichols when it was proposed by Congress. Now it swears by its results. We have proved in the Defense Department that we can bring competing institutions together for a common purpose without forcing people to wear a common uniform.

The writer is president and chief executive of the Center for Strategic & International Studies and a former deputy secretary of defense. The views expressed here are his own.

© 2004 The Washington Post Company

EMBARGOED UNTIL RELEASED BY THE COMMITTEE

PREPARED STATEMENT

Supporting Invited Testimony To Be Presented By

Dr. Lowell Wood*

On

Reform of American Intelligence Capabilities

Before The

Committee on Armed Services
United States House of Representatives

2:00 PM, 11 August 2004
2118 Rayburn House Office Building
U.S. Capitol

"If you would have peace, prepare for war."
– Benjamin Franklin

I am grateful for the Committee's kind invitation to offer testimony on reform of the intelligence capabilities of the United State Government.

BACKGROUND. I have been an interested observer of both American and foreign capabilities with respect to defense activities in general for the past four decades, primarily as a professional staff member of the Lawrence Livermore National Laboratory, operated by the University of California for the U.S. Department of Energy as a national security institution; in this capacity, I have been one of many thousands of 'consumers' of the 'products' of the U.S. intelligence community. During the past half-dozen years, I have served as a member of the Technical Advisory Group constituted by the Select Committee on Intelligence of the U.S. Senate, conducting requested surveys of various portions of the Intelligence Community and offering informed advice from a technical perspective.

I have been privileged to appear on a number of occasions before the Subcommittees of the Armed Services Committee of the House of Representatives during the past three decades, testifying on a variety of national security topics. I last testified here on the subject of nuclear EMP three weeks ago as a member of the Commission to Assess the Electromagnetic Pulse Threat to the United States, an *ad hoc* body created and tasked by the 106th Congress on this Committee's initiative. I have served the Armed Services Committee in a variety of technical advisory capacities, initially under Chairman Les Aspin a decade-&-a-half ago, and more recently under the leadership of Chairmen Floyd Spence and Duncan Hunter.

---

* Visiting Fellow, Hoover Institution on War, Revolution and Peace, Stanford University, Stanford CA 94305-6010, and Member, Director's Technical Staff, University of California Lawrence Livermore National Laboratory, Livermore, CA 94550. Opinions expressed herein are those of the author only. House Rule XI, Clause 2(g)-mandated information is appended.

I'm testifying today as a long-term student of national security affairs, one who has been both a 'customer' and, more recently, a friendly critic of the intelligence functions underlying national security. While I'll speak incisively for reasons of clarity and brevity, I must make clear at the outset that some of the finest American patriots that I've ever been privileged to meet and to work with have been members of the Intelligence Community. Also, it's completely clear to me that this Community and its members have indeed done many wonderful things – some of frankly awesome proportions – for the U.S. government and the American people, as well as for the great cause of a more peaceful, free and decent world.

However, we are now met on an occasion of less-than-complete happiness, one inquiring as to how the notably imperfect functioning of the Intelligence Community – the IC, in pertinent jargon – in recent times can be drastically improved in time-to-come. Candor seems very much in order, as decent respect for those thousands who have died in consequence of the commonly-owned problems that now confront us all, and I'll endeavor to do my part in this respect.

THE PROBLEM. Contemporary U.S. intelligence capabilities are notably 'broken,' remarkably incapable of providing either strategic or tactical warnings to the U.S. leadership of impending attacks of many modern-day types, specifically including terrorist ones. Some of the many causes of this fundamental incapacity are slowness to adapt to post-Cold War threats-&-conditions, budgetary stringencies in the '90s that drove much of the Community's talent into other lines of work, pervasive lack of figures-of-merit and measures of operational efficiencies, reluctance of large organizations to cooperate with competing bureaucracies, and the overall-deadening effects of large risk-adverse bureaucracies accustomed to operating with minimum levels of accountability.

The single-point problem within the Executive Branch is the lack of any central point of authority-&-accountability for the performance of the Intelligence Community (IC). The Director of Central Intelligence (DCI) *nominally* has such responsibility, but both the President and the Congress have made it very clear that (s)he *actually* does not – and certainly no DCI in the past dozen-&-a-half years at least has cherished any illusions to the contrary. The DCI is truly the master of the Central Intelligence Agency (CIA) – one of the smaller of the many components of the IC – and of nothing more. The President always has been the *de facto* supervisor of the IC, but his doing so is a very part-time job – and is obviously one for which he has accountability only directly to the American people, and that only on the single occasion that he may stand for reelection.

In fact, the IC is its own master in most pertinent respects, nearly reflexively defended from all serious challenges by the then-current President as one of his most powerful instruments-of-office. Moreover, its long-term fragmented, secret, (quasi-)military character makes it natural for each IC agency Director to be the more-or-less absolute ruler of his Agency, and most such Directors slip, perhaps unconsciously at first, into the role of a feudal baron. It's not a huge exaggeration to suggest that the Community is nearly a score of Duchys of Grand Fenwick, each with its powerful houses-&-clans, and with all Duchys constantly maneuvering-for-advantage relative to all others, to greater-or-lesser extents. Too often, the National interest is served only rather incidentally, indeed happenstantially, during these maneuverings. This isn't due to wickedness or even dereliction on anyone's part – it's a natural, indeed inevitable, "real human beings" consequence of the lack of *real, routinely-exercised* Executive authority and the IC's long-term-successful resistance to performance-accountability of any *truly substantive* character. Madison's tart comment that "If men

were angels, there would be no need for government" applies contrapositively to the good people in the IC as much as it does anywhere else.

The single-point problem within the Legislative Branch is the nearly-complete lack of *effective* oversight of the IC by the Congress. Indeed, lack of *truly effective* legislative oversight is at the nub of the problem of the overall low *efficiency* and remarkably limited *effectiveness* of the IC. The repeated failure of the Congress to see into law Intelligence Authorization Acts with *really substantive* content since the end of the Cold War has made it clear to all observers that there is little *real* oversight coming from – or to be expected from – the Hill, and that the principal IC-pertinent function of the Congress is the writing of more-or-less "blank checks," via a heavily-cloaked, necessarily-ambiguous Appropriations process which moreover is nearly free from effective GAO monitoring-of-program execution, the 'other arm' of the Congressional power-of-the-purse. As an illustration, no one known to me can recall when a vetoed Intelligence Authorization Act – of which there have been many – was *ever* sent back to a President by a two-thirds vote of both Houses; nor can anyone I know recall when an Intelligence Appropriation was *significantly* less – or more – than what a President had requested.

Indeed, the IC is the only operation in the entire Government to which dozens of billions of dollars are appropriated annually to be spent by Agencies most of whose existence has never been formally recognized in law by the Congress, but rather ones that were called into existence – and remain in existence – solely under Executive Order and whose almost-uniformly-unconfirmed top managers appear before Congress at the whim of the Executive. With all due respect, I suggest that this may be a conscious-&-witting abdication of true legislative oversight that's unprecedented in the history of the American Republic. While there may have been some 'National emergency' justification for such a *fundamentally anomalous*, arguably extra-Constitutional state-of-affairs during the Cold War, it's not at all clear what the basis has been since 1992, in an era when the Nation has been mostly at peace, its existence unthreatened.

PARAMETERS FOR SOLUTIONS. The outlines of – the basic parameters for – remediating the IC's basic deficiencies are implicit in the foregoing problem-statement: ***empowered-&-accountable top-level management in the Executive Branch, and engaged-&-effective oversight from the Congress.***

The 'trivial solution' for the presently non-existent top-level management of the IC is to give the DCI genuine authority – involving authorities for both sweeping budgetary preparation-&-allocation and hiring/firing of all senior IC managers – over the entire IC, and then to hold him/her accountable, regularly-&-rigorously, for the IC's *efficiency* and *effectiveness* (two *notably* distinct measures, in the intelligence context).

However, conferring plenary authority for employing an eighth of all National security expenditures in highly-secret Government operations, not all of them of a conventional administrative character, on *any* single person will trouble more-than-a-few people – and it properly should concern everyone dedicated to the long-term well-being of the American Republic in anything like its present form. Indeed, the long-term incapacity of the DCI with respect to effective IC governance likely has its origins in this utterly-fundamental consideration. Any individual with plenary authority of this

magnitude necessarily will exercise power of degrees that the world has only very seldom seen – although such power *must* be wielded in present circumstances in order to secure us all against the rampant evil that's now on the march around the globe.

When the Government last confronted such a conundrum, it chose to give the analog of this extraordinary top-level managerial authority an intra-Executive oversight board with full-time membership – and to take the extraordinary step of creating a Joint Committee of the Congress to conduct *all* aspects of legislative oversight of this entire Executive enterprise.

During World War II, the President brought the atomic energy enterprise of the U.S. into existence via Executive Order, and funded it secretly with funds unknowingly provided by Congress, funds legislatively intended for unrelated wartime efforts and programs. When the Congress 'regularized' this extraordinary enterprise – on which the post-War geopolitical world seemed to turn – in the Atomic Energy Act of 1947, it boldly removed the enterprise *entirely* from War Department management and created a new civilian-bossed agency to manage it exclusively, the Atomic Energy Commission (AEC). The Commission's day-to-day management was conducted by a General Manager, one appointed, dismissed and overseen by the full-time Commissioners jointly. All aspects of atomic energy – civilian, military and 'mixed' – were conducted by the Commission.

Most crucially by far, the Congress created an *ad hoc* body – a then-rare Joint Committee, the one on Atomic Energy (JCAE) – to provide legislative oversight of the AEC and conferred upon it the responsibility *not only* for framing authorizing legislation for all atomic energy activities of all types, but – utterly pivotally – *also* tasked it with recommending to the Congress all appropriations actions for all atomic energy activities. The Executive – the President and his Atomic Energy Commissioners – was thereby presented ("confronted" might not be too strong a term, in a few early circumstances) with a single-point-of-contact on the Hill, which quickly and remarkably smoothly led to a co-dominium of supervision of the nascent atomic energy community in the U.S. This intimate jointness of supervision proved to be remarkably effective for nearly three decades, during which interval the global preeminence of the U.S. in all aspects of atomic energy became very deeply rooted. The suppleness of Governmental management of the atomic energy enterprise was completely unrivalled, as the Commissioners could – and frequently did – go to their legislative overseers for within-the-budget-cycle *ad hoc* authorization or appropriation actions; the AEC thus was able to turn on the proverbial dime when external circumstances so indicated. The General Manager of the AEC, in principle an *exceedingly* powerful post, was complemented – counterbalanced, in a few circumstances – by the Staff Director of the JCAE, and the AEC itself generally worked very closely with the JCAE itself to supervise its General Manager as the JCAE did its Staff Director.

The AEC-JCAE "jointness" paradigm – remarkably successful in executing the National will during a very challenging time in U.S. history – might serve aptly at present, when basic reform of the IC is necessary. At a casual glance, it might seem that such an utter 'civilian-ization' of intelligence couldn't possibly meet the bedrock requirement that military intelligence function retain their essential military character. A little deeper look at the AEC-JCAE paradigm will reveal that the AEC seamlessly melded civilian and military needs-&-functions, from the outset, primarily by excellent Congressional design. The basic statutes specified that key senior posts in the civilian-capped AEC would be staffed with general officers and provided with field-grade officers as senior

deputies, each selected by the Commission from a very short list provided by the Pentagon; the AEC's Divisions of Military Application (the 'bomb shop') and of Naval Reactors were both so staffed. Moreover, the statutes specified that 'requests' for goods-&-services of all kinds from the Pentagon to the AEC actually were mandates, and must be met, on-time and on-spec. As a consequence of such legislative clarity as to priorities, the AEC and the DoD worked hand-in-glove, without any serious friction or bureaucratic game-playing. Undergirding such uniform seriousness-of-purpose was the fact that a number of the senior members of the Joint Committee generally carried the full gamut of national security oversight responsibilities, so that all less happy bureaucratic tendencies along atomic energy lines in both the Pentagon and the AEC were damped out by continual, intensive legislative oversight.

It's in the light of such history that I suggest that that the unquestionably fundamental requirements of the Pentagon for the full set of intelligence can be well-satisfied by an Intelligence Commission rather closely modeled after the AEC. Tactical military intelligence is a clearly distinct governmental function, one closely associated with conduct of military operations. For this type of intelligence, authority and responsibility must be intimately bonded with command-&-control of military functions, i.e., it absolutely must be carried-&-discharged by senior military officers and the senior civilian officials immediately overseeing them. Thus, there can be no question but that tactical intelligence capabilities are a *de facto* organic part of the Defense Department in all respects. To behave otherwise would be foolish in peacetime and manifest folly in time-of-war. The present-day need for fundamental reform of the Nation's strategic intelligence capabilities is undeniable, just as it was clear to the Congress nearly six decades ago that atomic energy must be under the control of a civilian Commission. In contrast, reforms of American tactical military intelligence structures or functions – whose present shortcomings are far less evident and upon which Combatant Commanders must be able to rely completely – should be conducted without major dislocation relative to present arrangements. The basic reason for including such functions within the purview of the proposed Intelligence Commission is to insure minimum communications 'distances' between tactical and strategic intelligence, to the clear benefit of them both. In particular, any such inclusion should have the same general and field-grade officer management character of the key Divisions of the AEC, and legislative oversight arrangements must reflect this.

While the necessity of such fundamental alterations in the established "ways of doing business" might be questioned by many who will perceive loss to their present positions, it's appropriate to recall that a "blank slate" upon which to write structural and operational mandates to a brand-new IC isn't available. Instead, basic reform of a huge, somewhat sclerotic, remarkably wily, *peculiarly powerful* bureaucracy is now obligatory. History teaches that half-measures – another cycle of the "rearranging of the deck-chairs of the *Titanic*" that's gone on for a few decades now – inevitably will be 'turned' by entrenched resistance into no *real* measures at all. If everyone concerned isn't willing to "give a little" for the Nation's ability to rise to the present challenge, yet another attempt to "do the job right" will have to be made after the next catastrophic "intelligence failure" – which *actually* will be a *fundamental failure-to-govern.*

THE BOTTOM LINE. I therefore most respectfully urge the Committee to give serious consideration to taking a page out of one of the most successful chapters of 20th century American governmental history, and to create an Intelligence Commission and a Joint Committee on Intelligence, modeled after the Atomic Energy Commission and the Joint Committee on Atomic

Energy. While this particular approach certainly isn't the only possible one for our present problems, it has the distinct merit that it's "known to work" in National circumstances closely analogous to present ones – and moreover it was created-&-operated with acceptable costs from the various standpoints of most everyone in the Government.

Only when the Congress makes major changes in its *own* ways of doing business *in any area* does the rest of the Government take note and begin to believe that it's *really* serious about the corresponding change, and that things indeed *must* change. *Really* big changes are needed in the Nation's strategic intelligence functions, and just tinkering with Executive structures-and-titles-and-organizational arrangements-&-locations is a "fooling some of the people some of the time" type of solution; it surely won't fool, even for a moment, the hard-eyed types that infest the mean streets of the present-day world. Instead, the Congress must *significantly* change itself, as well as the Executive. Difficult though this may be, anything less simply fails to rise to the demands of the present challenge posed to America.

I thank the Committee once again for this opportunity to appear and comment on these matters of enduring significance for our Nation's security.

BOSTON PUBLIC LIBRARY
3 9999 06352 078 5